

**A BILL TO BE ENTITLED  
AN ACT**

appropriating money for the support of the Judicial, Executive and Legislative Branches of the State government, for the construction of State buildings, and for State aid to public junior colleges, for the period beginning September 1, 2003 and ending August 31, 2005, authorizing and prescribing conditions, limitations, rules and procedures for allocating and expending the appropriated funds; and declaring an emergency.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:**

**ARTICLE I**

**GENERAL GOVERNMENT**

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated agencies of general government.

**AIRCRAFT POOLING BOARD\***

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: EFFICIENT AIRCRAFT TRAVEL</b>		
To provide safe, efficient aircraft transportation upon request to state officers and employees traveling on official state business.		
<b>A.1.1. Strategy: FLEET OPERATIONS</b>	\$ 1,272,142	\$ 1,271,568
Operate a fleet of centrally scheduled aircraft to meet users' needs.		
<b>Output (Volume):</b>		
Number of Hours Aircraft Are Flown	2,208	2,184
Number of Flights	2,004	1,980
<b>B. Goal: AIRCRAFT MAINTENANCE</b>		
To provide quality and economical maintenance, fuel and oil, hangar space, and line services for state operated aircraft.		
<b>B.1.1. Strategy: AIRCRAFT MAINTENANCE</b>	\$ 2,252,640	\$ 2,172,640
Operate a state-of-the-art maintenance and avionics repair facility.		
<b>Output (Volume):</b>		
Number of Work Orders Completed	640	640
<b>C. Goal: INDIRECT ADMINISTRATION</b>		
<b>C.1.1. Strategy: INDIRECT ADMINISTRATION</b>	\$ 216,286	\$ 216,286
<b>Grand Total, AIRCRAFT POOLING BOARD</b>	<b>\$ 3,741,068</b>	<b>\$ 3,660,494</b>

**Method of Financing:**

Appropriated Receipts	\$ 2,215,830	\$ 2,135,256
Interagency Contracts	1,525,238	1,525,238
<b>Total, Method of Financing</b>	<b>\$ 3,741,068</b>	<b>\$ 3,660,494</b>

**Number of Full-Time-Equivalent Positions (FTE):** 39.0 39.0

\*Agency appropriations eliminated by Governor's veto. See Veto Proclamation.

**AIRCRAFT POOLING BOARD**  
(Continued)

**Schedule of Exempt Positions:**

Executive Director, Group 2	\$70,000	\$70,000
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**Object-of-Expense Informational Listing:**

Salaries and Wages	\$ 1,353,305	\$ 1,353,305
Other Personnel Costs	28,330	28,330
Professional Fees and Services	10,212	10,212
Fuels and Lubricants	400,164	400,164
Consumable Supplies	19,500	19,500
Utilities	4,800	4,800
Travel	27,178	27,178
Rent - Building	1,560	1,560
Rent - Machine and Other	7,676	7,676
Other Operating Expense	1,366,488	1,286,587
Capital Expenditures	521,855	521,182

<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 3,741,068</b>	<b>\$ 3,660,494</b>
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1. **Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of § 1232.103, Government Code.

	2004	2005
Out of the Interagency Contracts:		
a. Acquisition of Capital Equipment and Items		
(1) Terrain Awareness Warning System Avionics Under FAA Mandate	\$ 98,000	\$ 98,000
(2) Master Lease Purchase Program Acquisitions 2002-2003	\$ 423,855	\$ 423,182
Total, Acquisition of Capital Equipment and Items	\$ 521,855	\$ 521,182
Total, Capital Budget	\$ 521,855	\$ 521,182

2. **Transfer Authority.** The State Aircraft Pooling Board is hereby authorized to transfer such amounts as may be necessary between appropriation Strategies A.1.1, Fleet Operations, and B.1.1, Aircraft Maintenance. Appropriations made in Strategy B.1.1, Aircraft Maintenance, include funding for aircraft replacement and aircraft acquisition.
3. **Revolving Fund Appropriation.** It is the intent of the Legislature that the Comptroller of Public Accounts maintain the State Aircraft Pooling Board's "Revolving Fund" to account for the expenditures, revenues and balances related to revenues from the sale of aircraft appropriated to the State Aircraft Pooling Board for the purpose of maintenance, acquisition, repair or replacement. The expenditures, revenues and balances shall be maintained separately by the State Aircraft Pooling Board within its accounting system.
4. **Limitation of Expenditures for Aircraft Insurance.** Included in amounts above, unexpended balances consisting solely of appropriated receipts and interagency contracts and not to exceed \$80,000, in the appropriation made to the Aircraft Pooling Board remaining as of

AIRCRAFT POOLING BOARD  
(Continued)

August 31, 2003, are included in Strategy A.1.1, Fleet Operations, for the biennium beginning September 1, 2003, for the sole purpose of acquiring aircraft insurance for aircraft owned or leased by the Aircraft Pooling Board. Any liability insurance to protect the officers and employees of other state agencies from losses arising from the operation of state-owned aircraft owned or leased by that state agency shall be financed by appropriations to those state agencies. Any unexpended balances remaining as of August 31, 2004 are hereby appropriated to the agency for the same purpose in fiscal year 2005.

5. **Capital Budget Expenditure.** Notwithstanding the limitations on capital budgets contained in Rider 1, page I-2 of this Act, for the State Aircraft Pooling Board, the agency may utilize funds appropriated for capital budget purposes for expenditures on salaries and wages and contracts for fuel for the first two months of each fiscal year of the biennium beginning September 1, 2003. Any expenditure made pursuant to this section shall be repaid by appropriated receipts and interagency contracts when such funds become available and not later than August 31, 2005.

COMMISSION ON THE ARTS

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: SECURE RESOURCES</b>		
Secure from public and private sectors the appropriate and necessary resources for the purpose of funding the Commission on the Arts and to equitably distribute such resources.		
<b>A.1.1. Strategy: CULTURAL ENDOWMENT FUND</b>	\$ 350,000	\$ 350,000
Promote the Texas Cultural Endowment Fund to secure stabilized public and private funding.		
<b>B. Goal: ARTS EDUCATION</b>		
Continue to ensure that arts education is recognized and utilized as a major contributor to increase literacy and strengthen basic learning skills in Texas schools and communities.		
<b>B.1.1. Strategy: ARTS EDUCATION</b>	\$ 851,340	\$ 826,340
Provide and support arts education opportunities.		
<b>Efficiencies:</b>		
Average Grant Amount Awarded for Arts Education Programs	3,422	3,422
<b>C. Goal: ARTS ACCESS</b>		
Ensure that Texas citizens and visitors are aware of the value of the arts and have equitable access to quality arts programs and services.		
<b>Outcome (Results/Impact):</b>		
Percentage of Total Assistance Dollars Provided to Applications From Minority Organizations	22%	22%
Percentage of Total Assistance Dollars Provided to Applications From Rural and Geographically Isolated Communities	29%	30%
<b>C.1.1. Strategy: DISTRIBUTE DIRECT GRANTS</b>	\$ 3,452,808	\$ 3,435,808 & UB
<b>Output (Volume):</b>		
Number of Funded Applications from Rural and Geographically Isolated Communities	550	550
Number of Funded Applications From Minority Organizations	300	300

**COMMISSION ON THE ARTS**  
(Continued)

<b>C.1.2. Strategy:</b> PROMOTION & PARTICIPATION	\$	684,535	\$	584,535
Improve statewide participation in arts programs, enhance the public's understanding of the arts' contribution and value, and encourage and promote cultural tourism.				
<b>Output (Volume):</b>				
Number of Marketing and Public Relations Activities, Conferences and Seminars Which Promote Tourism		75		75
<b>Total, Goal C: ARTS ACCESS</b>	\$	4,137,343	\$	4,020,343
<b>D. Goal:</b> INDIRECT ADMINISTRATION				
<b>D.1.1. Strategy:</b> INDIRECT ADMINISTRATION	\$	517,983	\$	517,983
<b>Grand Total, COMMISSION ON THE ARTS</b>	\$	5,856,666	\$	5,714,666
<b>Method of Financing:</b>				
General Revenue Fund	\$	2,900,253	\$	2,700,252
GR Dedicated - Commission on the Arts Operating Account No. 334		882,000		840,000
Federal Funds		760,000		760,000
<u>Other Funds</u>				
Appropriated Receipts		344,413		444,414
Interagency Contracts		970,000		970,000
Subtotal, Other Funds	\$	1,314,413	\$	1,414,414
<b>Total, Method of Financing</b>	\$	5,856,666	\$	5,714,666
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		19.0		19.0
<b>Schedule of Exempt Positions:</b>				
Executive Director, Group 2		\$70,000		\$70,000
<b>Object-of-Expense Informational Listing:</b>				
Salaries and Wages	\$	733,000	\$	733,000
Other Personnel Costs		27,000		27,000
Operating Costs		500		500
Professional Fees and Services		218,500		218,500
Consumable Supplies		32,600		32,600
Utilities		44,300		44,300
Travel		107,000		107,000
Other Operating Expense		818,458		818,458
Grants		3,775,308		3,733,308
Capital Expenditures		100,000		0
<b>Total, Object-of-Expense Informational Listing</b>	\$	5,856,666	\$	5,714,666

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

**COMMISSION ON THE ARTS**  
(Continued)

	<u>2004</u>	<u>2005</u>
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Server Support	\$ 25,000	\$ 0
(2) Web Application Development	45,000	0
(3) Computer Hardware and Software	\$ 30,000	\$ 0
 Total, Acquisition of Information Resource Technologies	 \$ 100,000	 \$ 0
 Total, Capital Budget	 \$ 100,000	 \$ 0

2. **Appropriation: Texas Cultural Endowment Fund Interest Earnings.** Included above in Strategy A.1.1, Cultural Endowment Fund, are interest earnings on money deposited in the Texas Cultural Endowment Fund and transferred for appropriation out of the Commission on the Arts Operating Account No. 334, in the amount of \$350,000 each fiscal year, to be deposited to the credit of the corpus of the Texas Cultural Endowment Fund established under Government Code § 444.026, for the biennium beginning September 1, 2003. Any interest earnings in addition to amounts appropriated above are hereby appropriated to the agency for the same purposes for the biennium beginning September 1, 2003. Any unexpended balances of such earnings on August 31, 2004, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2004.
3. **Interagency Agreement.** Out of amounts included above in Strategy C.1.1, Distribute Direct Grants, and Strategy C.1.2, Promotion and Participation, the Commission on the Arts shall expend \$1,340,000 during the biennium beginning September 1, 2003, transferred from the Texas Department of Transportation through interagency contract, to showcase the arts and cultural diversity in Texas to promote tourism.
4. **Arts Education.** Out of the amounts appropriated above, in Strategy B.1.1, Arts Education, the Commission on the Arts shall expend \$300,000 each fiscal year, transferred from the Texas Education Agency through interagency contract, to award grants for arts education.
5. **Unexpended Balances within the Biennium.** Any unexpended balances in appropriations made to Strategy B.1.1, Arts Education, remaining as of August 31, 2004, are hereby appropriated to the Commission on the Arts for the fiscal year beginning September 1, 2004, for the same purpose.
6. **Texas, State of the Arts License Plates.** Included in the amounts appropriated above in Strategy C.1.1, Distribute Direct Grants are all balances collected prior to the effective date of this Act and revenue collected on or after September 1, 2003, not to exceed \$482,000 in fiscal year 2004 and \$490,000 in fiscal year 2005 out the Commission on the Arts, Operating Account No. 334 from the sale of license plates as provided by Transportation Code § 502.272. Also included in the amounts appropriated above are any unexpended balances of these funds remaining as of August 31, 2003, (not to exceed \$50,000) for Strategy B.1.1, Arts Education and Strategy C.1.1, Distribute Direct Grants, for the fiscal year beginning September 1, 2003. Any unexpended balances as of August 31, 2004, out of the appropriations made herein are hereby appropriated to the Commission on the Arts for the fiscal year beginning September 1, 2004.
7. **Reporting Requirements: SAO Audit.** Not later than September 1, 2003, the Commission on the Arts shall report to the State Auditor's Office (SAO) on the status of its implementation of procedures to address SAO findings contained in *An Audit Report on Internal Control and*

COMMISSION ON THE ARTS  
(Continued)

*Financial Processes at the Commission on the Arts and the Funeral Service Commission*, (published June 24, 2002). Included in the amounts appropriated above are unobligated and unspent funds available as of September 1, 2003, in Strategy C.1.1, Distribute Direct Grants not to exceed \$100,000 in General Revenue if the SAO certifies to the Legislative Budget Board and the Comptroller of Public Accounts that all procedures to address SAO findings have been fully implemented.

- 8. **Limitation on Reimbursements for Commission Meetings.** Notwithstanding Article IX provisions, the number of days commissioners are appropriated expenses related to conducting Commission business as provided by Government Code § 659.032 is not to exceed six days a fiscal year.
- 9. **Reporting Requirements: Geographic Distribution.** The Commission on the Arts shall submit an annual report to the Legislative Budget Board and the Governor on the geographic distribution of their grants.
- 10. **Arts Entrepreneurial Business System.** Included in the amounts appropriated above, the Commission on the Arts is hereby authorized to collect receipts from the sale of promotional items bearing the Agency’s logo, estimated to be \$1,000 in Appropriated Receipts for the biennium beginning September 1, 2003, for Strategy C.1.1, Distribute Direct Grants.

OFFICE OF THE ATTORNEY GENERAL \*

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: PROVIDE LEGAL SERVICES</b>		
To provide skillful and high quality legal representation, counseling, and assistance for the State of Texas, its authorized entities and employees in the lawful performance of their duties.		
<b>Outcome (Results/Impact):</b>		
Delinquent State Revenue Collected	43,000,000	43,000,000
<b>A.1.1. Strategy: LEGAL SERVICES</b>	\$ 61,995,382	\$ 55,914,707
Respond to the legal counseling needs of the State of Texas, its authorized entities and employees by providing appropriate legal advice and answers to legal questions posed by clients, including the issuance of formal opinions and open records letters and decisions. Respond to the litigation needs of the State of Texas, its authorized entities and employees through the use of appropriate pre-trial and trial actions. Implement the use of alternative dispute resolution methods in legal disputes involving the state when this course of action is in the best interest of the state. Respond to the legal counseling and litigation needs of the State of Texas in the Colonias Project.		
<b>Output (Volume):</b>		
Legal Hours Billed to Litigation and Counseling	845,406	842,176
<b>Efficiencies:</b>		
Average Cost Per Legal Hour	69.01	69.18
<b>B. Goal: ENFORCE CHILD SUPPORT LAW</b>		
To enforce aggressively and fairly both state and federal child support laws and regulations.		

\*Modified by Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 28 (d).

**OFFICE OF THE ATTORNEY GENERAL**  
(Continued)

<b>Outcome (Results/Impact):</b>		
Percent of All Current Child Support Amounts Due That Are Collected	62%	62%
Percent of Title IV-D Cases with Arrears Due in Which Any Amount Is Paid Toward Arrears	63%	63%
<b>B.1.1. Strategy:</b> CHILD SUPPORT ENFORCEMENT	\$ 205,696,000	\$ 207,887,807
Collect court-ordered child support through the use of the following: establish paternity; establish child support obligations; enforce child support obligations; and receive and distribute child support monies.		
<b>Output (Volume):</b>		
Amount of Title IV-D Child Support Collected (in Millions)	1,628.6	1,755.3
Number of Children for Whom Paternity Has Been Established	57,439	57,439
Number of Child Support Obligations Established	51,433	51,433
<b>Efficiencies:</b>		
Ratio of Total Dollars Collected Per Dollar Spent	7.92	8.44
<b>B.1.2. Strategy:</b> STATE DISBURSEMENT UNIT	\$ 39,023,461	\$ 36,130,613
Operate a state disbursement unit that receives and disburses all IV-D child support payments and all non-IV-D child support payments made pursuant to court-ordered income withholding.		
<b>Output (Volume):</b>		
Number of Payment Receipts Processed by the SDU Vendor	13,724,007	14,502,306
<b>Total, Goal B: ENFORCE CHILD SUPPORT LAW</b>	<b>\$ 244,719,461</b>	<b>\$ 244,018,420</b>

**C. Goal: CRIME VICTIMS' SERVICES**  
To provide services and information to victims of crime in a caring, sensitive and efficient manner.

<b>Outcome (Results/Impact):</b>		
Amount of Crime Victim Compensation Awarded	61,000,000	65,000,000
<b>C.1.1. Strategy:</b> CRIME VICTIM COMPENSATION	\$ 66,682,899	\$ 70,892,697
Obtain and review all claims for crime victims' compensation in accordance with state and federal regulations to determine eligibility for payment; ensure that all bills are reviewed for medical reasonableness and necessity and paid at the correct rate and that limits are not exceeded.		
<b>Efficiencies:</b>		
Average Number of Days to Analyze a Claim and Make an Award	90	90
<b>C.1.2. Strategy:</b> VICTIMS ASSISTANCE	\$ 37,092,760	\$ 37,100,005
Provide grants and contracts to support victim-related services or assistance in the state; train local rape crisis programs and allied professionals and advocates in prevention, intervention and crisis services for sexual assault victims; certify Sexual Assault Nurse Examiners and training programs; and contract with Texas CASA, Inc., a nonprofit organization, to provide trained volunteers to be assigned by judges to advocate for abused and neglected children in the court system.		
<b>Output (Volume):</b>		
Total Number of Counties Served by CASA Programs	182	205
<b>Total, Goal C: CRIME VICTIMS' SERVICES</b>	<b>\$ 103,775,659</b>	<b>\$ 107,992,702</b>

**D. Goal: REFER MEDICAID CRIMES**  
To provide an environment free of fraud, physical abuse, and criminal neglect for Medicaid recipients and the Medicaid program.

**OFFICE OF THE ATTORNEY GENERAL**  
(Continued)

<b>Outcome (Results/Impact):</b>			
Amount of Medicaid Over-payments Identified		10,000,000	10,000,000
<b>D.1.1. Strategy:</b> MEDICAID INVESTIGATION	\$	2,179,216	\$ 2,179,216
Conduct a statewide program of investigation and refer for prosecution all violations of laws pertaining to fraud in the administration of the Texas Medicaid Program, the provision of medical assistance, and the activities of providers of medical assistance under the State Medicaid Plan. Review complaints alleging abuse or neglect of patients in health care facilities receiving payments under the State Medicaid Plan.			
<b>Output (Volume):</b>			
Number of Investigations Concluded		250	250
<b>E. Goal:</b> ADMINISTRATIVE SUPPORT FOR SORM			
Provide administrative support to the State Office of Risk Management in administering state employees workers' compensation.			
<b>E.1.1. Strategy:</b> ADMINISTRATIVE SUPPORT FOR SORM	\$	651,653	\$ 651,653
Provide administrative support to the State Office of Risk Management.			
<b>Grand Total, OFFICE OF THE ATTORNEY GENERAL</b>	<b>\$</b>	<b>413,321,371</b>	<b>\$ 410,756,698</b>

<b>Method of Financing:</b>			
<u>General Revenue Fund</u>			
Child Support Retained Collection Account	\$	59,393,503	\$ 57,851,950
Attorney General Debt Collection Receipts		8,300,000	8,300,000
General Revenue Fund		50,368,531	44,901,300
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees		2,937,771	2,937,771
Subtotal, General Revenue Fund	\$	120,999,805	\$ 113,991,021
<u>General Revenue Fund - Dedicated</u>			
AG Law Enforcement Account No. 5006		443,125	443,125
Sexual Assault Program Account No. 5010		204,904	204,904
Attorney General Volunteer Advocate Program Account No. 5036		144,900	152,145
Compensation to Victims of Crime Account No. 469		83,583,495	84,575,930
Subtotal, General Revenue Fund - Dedicated	\$	84,376,424	\$ 85,376,104
Federal Funds		188,630,950	192,139,872
<u>Other Funds</u>			
Appropriated Receipts		8,608,532	8,544,041
Interagency Contracts		5,070,388	5,070,388
State Highway Fund No. 006		5,635,272	5,635,272
Subtotal, Other Funds	\$	19,314,192	\$ 19,249,701
<b>Total, Method of Financing</b>	<b>\$</b>	<b>413,321,371</b>	<b>\$ 410,756,698</b>

<b>Number of Full-Time-Equivalent Positions (FTE):</b>		3,910.0	3,914.0
<b>Schedule of Exempt Positions:</b>			
Attorney General, Group 4		\$92,217	\$92,217
<b>Supplemental Appropriations Made in Riders:</b>	\$	2,658,000	\$ 3,992,000



**OFFICE OF THE ATTORNEY GENERAL**  
(Continued)

**Object-of-Expense Informational Listing:**

Salaries and Wages	\$	156,070,447	\$	156,147,732
Other Personnel Costs		3,779,117		3,779,117
Operating Costs		2,658,000		3,992,000
Professional Fees and Services		11,532,407		5,534,107
Fuels and Lubricants		30,483		30,483
Consumable Supplies		2,235,149		2,143,161
Utilities		7,956,290		8,386,850
Travel		5,120,630		5,171,370
Rent - Building		10,728,641		10,933,789
Rent - Machine and Other		2,764,157		3,036,677
Other Operating Expense		166,538,430		167,808,678
Grants		45,095,620		45,635,734
Capital Expenditures		1,470,000		2,149,000

**Total, Object-of-Expense Informational Listing** \$ 415,979,371 \$ 414,748,698

1. **Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or may be expended on other non-capital expenditures within the strategy to which the funds were appropriated. However, any amounts spent on capital items are subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	<u>2004</u>	<u>2005</u>
a. Acquisition of Information Resource Technologies		
(1) Child Support Hardware/Software Enhancements	\$ 1,520,000	\$ 2,929,000
(2) A & L Printer Refresh Project	21,500	0
(3) Other PC Refresh Project	14,360	14,632
Total, Acquisition of Information Resource Technologies	<u>\$ 1,555,860</u>	<u>\$ 2,943,632</u>
Total, Capital Budget	<u>\$ 1,555,860</u>	<u>\$ 2,943,632</u>

Method of Financing (Capital Budget):

Child Support Retained Collection Account	\$ 582,800	\$ 1,286,260
GR Dedicated - Compensation to Victims of Crime Account No. 469	35,860	14,632
Federal Funds	937,200	1,642,740
Total, Method of Financing	<u>\$ 1,555,860</u>	<u>\$ 2,943,632</u>

2. **Cost Allocation, Reporting Requirement.** The Attorney General's Office is directed to continue an accounting and billing system by which the costs of legal services provided to each agency may be determined. This cost information shall be provided to the Legislative Budget Board and the Governor within 60 days after the close of the fiscal year.

3. **Child Support Collections.**

- a. The Attorney General shall deposit Child Support Retained Collections in a special account in the Comptroller's Office. The account shall be called the Child Support Retained Collections Account. Child Support Retained Collections shall include the state share of funds collected by the Office of the Attorney General which were previously paid by the

**OFFICE OF THE ATTORNEY GENERAL**  
(Continued)

State as Aid to Families with Dependent Children (AFDC) or Temporary Assistance for Needy Families (TANF) or foster care payments, all child support enforcement incentive payments received from the federal government, and all revenues specifically established by statute on a fee or service-provided basis and pertaining to the Child Support Enforcement Program.

- b. Amounts earned as interest on, and allocated by the Comptroller of Public Accounts to, the Child Support Trust Fund No. 994, in excess of \$808,289 in fiscal year 2004 and \$808,289 in fiscal year 2005, shall be transferred monthly by the Comptroller of Public Accounts to such funds from the General Revenue Fund, and all amounts so transferred are hereby appropriated to the Attorney General for use during the 2004–05 biennium, in addition to the amounts otherwise appropriated herein. Amounts transferred pursuant to this provision shall be shown as a separate, individual entry in the Method of Finance in all standard reports regularly utilizing a method of finance which are submitted to the Governor’s Office or the Legislative Budget Board.
  - c. The Attorney General is directed to accrue and leave unexpended amounts in the Child Support Retained Collections Account sufficient to be used as the initial state funding necessary for operation of the Child Support Enforcement program during fiscal year 2006. It is the intent of the Legislature that this program be self sufficient through funding from the Child Support Retained Collections Account and related Title IV-D grant funds.
  - d. The Attorney General, in cooperation with the Comptroller of Public Accounts, shall develop and maintain such cost centers and/or subaccounts within the Child Support Trust Fund No. 994 and/or the Child Support Retained Collections Account as may be determined necessary or appropriate to separately account for, and allocate the interest earned on, the various sources for receipts deposited to, and types of expenditures made from such funds. The Comptroller of Public Accounts shall separately allocate interest earned by the State to each such cost center and/or subaccount, or to such groupings thereof as may be designated by the Attorney General for purposes of reporting interest earned to the federal government.
  - e. The Comptroller of Public Accounts is directed to transfer and carry forward all the balances of funds in the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account as of August 31, 2003, in such funds to be available for use in fiscal year 2004. Any balances in the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account on hand as of August 31, 2004, shall be carried forward in such funds as funding sources for the appropriation for fiscal year 2005. It is the intent of the Legislature that the remaining balances in the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account as of August 31, 2005, be carried forward into fiscal year 2006 and be appropriated for fiscal year 2006 for the child support enforcement program.
  - f. In addition to the amounts otherwise appropriated for Strategy B.1.1, Child Support Enforcement, all funds received from the federal government as reimbursement for the costs and fees paid to counties, district or county clerks, sheriffs or constables pursuant to the provisions of Chapter 231 of the Texas Family Code are hereby appropriated to the Office of the Attorney General for use during the 2004–05 biennium.
4. **Disposition, Earned Federal Funds.** Earned Federal Funds received in connection with child support enforcement, in excess of the amounts included in the Comptroller’s Biennial Revenue Estimate for earned federal funds received by the Office of the Attorney General, plus federal matching funds, are appropriated to the Office of the Attorney General for use in Strategy B.1.1, Child Support Enforcement.

**OFFICE OF THE ATTORNEY GENERAL**  
(Continued)

5. **Reporting Requirement.** The Attorney General's Office is directed to develop and maintain separate accounting information and records on receipts and distribution of funds from the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account. Such information must at a minimum identify all deposits, allocations and expenditures by type of revenues. The Comptroller of Public Accounts shall prescribe rules and procedures to assure compliance with this section and all transactions and balances shall be reconciled monthly against the records of the Comptroller. In addition to the requirements for annual financial reports required by the General Provisions of this Act, the Attorney General shall include a separate section detailing all such balances, receipts and distributions of money in Fund No. 994 and the Child Support Retained Collections Account. The report must specifically show balances held for transfer to operating appropriations of the Attorney General's Office and any other agency. In addition, any balances which are unclaimed and subject to escheat under other laws must be identified as to amount and age.
6. **Debt Collections.**
- a. The Office of the Attorney General shall attempt to collect all delinquent judgments owed the State of Texas. A portion of those debts collected, as outlined below, shall be eligible for retention by the Office of the Attorney General and may be used as a source of funding for agency operations as specified in and limited by the method of financing of the Office. One hundred percent of the debts collected by the Office of the Attorney General and eligible for retention by the Office shall be applied toward the amounts shown above for Attorney General Debt Collection Receipts in the method of financing for agency operations. Regardless of the total amount collected by the Attorney General, in no event shall this provision be construed as an appropriation in addition to the amount appropriated above as specified in the method of financing, of any of the funds collected by the Office of the Attorney General.
  - b. To be eligible for retention by the Office of the Attorney General the debt collected must be from a qualifying judgment. Qualifying judgments, as used in this rider, are judgments that are at least one-year old from the date of entry of the court order and also include debts not reduced to judgment where there are collections on the debt by the Collections Division of the Attorney General's Office if the debt is delinquent by more than one year or has been certified for collection to the Collections Division of the Attorney General's Office. In no event shall more than \$5.0 million from collections stemming from a common nucleus of operative fact be eligible for retention by the Office of the Attorney General.
  - c. It is the intent of the Legislature that the following not be allowed as a credit toward the percentage set forth in Rider 6.a. above: judgments collected by state agencies; judgments less than one year old; or judgments collected without direct action by the Attorney General's Collection Division.
  - d. The Attorney General shall maintain a centralized recordkeeping system for accounting for various departmental and agency certification of delinquent taxes, judgments, and other debts owed the state. The accounting should distinguish by type of tax, judgment, or other debt, and provide for: when the debt was certified by an agency or department for collection by the Attorney General; when it was collected or disposed of, and such other information as the Legislative Budget Board, Governor, or the Comptroller of Public Accounts may require. The Attorney General shall submit semi-annual reports to the Governor and the Legislative Budget Board detailing by agency or department the amount of each debt, when the debt was certified and when, and in what amount, it was collected or disposed of.
7. **River Compact Lawsuit Contingency.** Out of the amounts appropriated above for Strategy A.1.1, Legal Services, \$205,000 shall be set aside to purchase professional services to force

**OFFICE OF THE ATTORNEY GENERAL**  
(Continued)

compliance with the Texas river compacts by member states and/or agencies of the United States and defend the State in any legal proceeding involving the compacts.

8. **Client Representation.** In making a determination whether to initiate or settle litigation referred by a state agency, the Attorney General shall follow the written recommendation of the executive director of the referring state agency, or his designee, unless the Attorney General determines that good cause exists to disregard such recommendation. In that event, the Attorney General shall provide the client agency with a written explanation of the reasons for such determination.
9. **Appropriation of Receipts, Court Costs.** Out of the funds appropriated above as Appropriated Receipts, \$7,500,000 in each year of the biennium represents the annual appropriation of court costs, attorneys' fees and investigative costs recovered by the Office of the Attorney General. Court costs, attorneys' fees and investigative costs recovered by the Office of the Attorney General in excess of those specifically appropriated and shown in the agency's method of financing are appropriated to the Office of the Attorney General, in an amount not to exceed \$10,000,000 each year and shall be used for Child Support Enforcement. At least semi-annually, beginning within 60 days after the close of each fiscal year, or more often upon request of the Legislative Budget Board, the Office of the Attorney General shall submit to the Legislative Budget Board, the Senate Finance Committee, the House Appropriations Committee, and the Governor a report that lists each case in which an award of court costs, attorneys' fees, or investigative fees was made, the date of the award, the amount of court costs that were awarded, the amount of investigative costs that were awarded, the amount of attorneys' fees that were awarded, and the strategy or strategies to which the above receipts were allocated, in addition to any other information that may be requested by the Legislative Budget Board.
10. **Interagency Contracts for Legal Services.** The Office of the Attorney General shall not be appropriated any state funds from interagency contracts, notwithstanding the provisions of the section entitled Reimbursements and Payments, in Article IX, General Provisions of this Act unless the Attorney General gives prior written notice to the Legislative Budget Board and the Governor, accompanied by written permission by the affected agency. Any such interagency contract for legal services between the Attorney General's Office and state agencies shall not jeopardize the ability of the agencies to carry out their legislative mandates, shall not affect their budget such that employees must be terminated in order to pay the requested amount and shall not exceed reasonable attorney fees for similar legal services in the private sector. The Office of the Attorney General is hereby appropriated funds received from interagency contracts for non-legal services rendered by the Office of the Attorney General.
11. **Unexpended Balances: Between Fiscal Years.** Any unexpended balances as of August 31, 2004, in appropriations made to the Office of the Attorney General are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2004. It is the intent of the Legislature that any unexpended balances in Strategy B.1.1, Child Support Enforcement, shall be used only to enforce child support laws and regulations.
12. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Attorney General is hereby authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items.
13. **Victims Assistance Grants.** Funds appropriated above in C.1.2, Victims Assistance, shall be spent as follows:

**OFFICE OF THE ATTORNEY GENERAL**  
(Continued)

<u>Program</u>	<u>FY 2004</u>	<u>FY 2005</u>
(1) Victims Assistance Coordinators and Victims Liaisons	\$ 2,394,243	\$ 2,394,243
(2) Court Appointed Special Advocates	3,144,900	3,152,145
(3) Sexual Assault Prevention and Crisis Services Program	10,742,519	10,742,519
(4) Sexual Assault Services Program Grants	375,000	375,000
(5) Children's Advocacy Centers	3,999,003	3,999,003
(6) Legal Services Grants	2,500,000	2,500,000
(7) Other Victim Assistance Grants	10,362,250	10,362,250
(8) Statewide Victim Notification System	<u>3,574,845</u>	<u>3,574,845</u>
Total	<u>\$ 37,092,760</u>	<u>\$ 37,100,005</u>

Method of Financing:

Compensation to Victims of Crime Fund No. 469	\$ 33,170,643	\$ 33,170,643
Sexual Assault Program Account No. 5010	204,904	204,904
Attorney General Volunteer Advocate Program Account No. 5036	144,900	152,145
Federal Funds	<u>3,572,313</u>	<u>3,572,313</u>
Total, Method of Financing	<u>\$ 37,092,760</u>	<u>\$ 37,100,005</u>

The Office of the Attorney General shall adopt rules for the competitive allocation of funds under item number (7) Other Victims Assistance Grants. None of the funds appropriated in Strategy C.1.2, Victims Assistance, may be expended on grants to organizations that make contributions to campaigns for elective office or that endorse candidates.

Within 60 days after the close of each fiscal year, the Office of the Attorney General shall submit a report detailing the expenditure of funds appropriated in Strategy C.1.2, Victims Assistance. The report shall include information on the guidelines used to select programs that receive grants, on the amount of grants awarded in each of the categories listed above, on the amount of expenditures for administration, and on audit and oversight activities conducted relating to the victims assistance grants and the programs receiving such grants. The report shall be submitted to the Legislative Budget Board, the Governor, the Senate Finance Committee, and the House Appropriations Committee.

14. **Appropriation: CASA License Plate Revenues.** Included in amounts appropriated above in Strategy C.1.2, Victims Assistance, is \$144,900 in fiscal year 2004 and \$152,145 in fiscal year 2005 from receipts collected and deposited to the Attorney General Volunteer Advocate Program Account No. 5036 for the purpose of contracting with Texas CASA, Inc. Any additional revenues received on or after September 1, 2003 and deposited into the Attorney General Volunteer Advocate Program Account No. 5036 on or after September 1, 2003 are hereby appropriated to the Office of the Attorney General for the same purpose.
15. **Child Support Contractors.** Full-Time-Equivalent (FTE) positions associated with contracted workers in Strategy B.1.1, Child Support Enforcement, shall be exempt from the provisions in Article IX relating to limiting state agency employment levels.
16. **Elephant Butte Litigation.** The Office of the Attorney General may, if the Attorney General deems necessary, use funds appropriated above in Strategy A.1.1, Legal Services, not to exceed

**OFFICE OF THE ATTORNEY GENERAL**  
(Continued)

a total amount of \$10,153,000, for potential intervention in certain developing ground and surface water disputes with the state of New Mexico along the Rio Grande Project from Elephant Butte Reservoir to Fort Quitman, Texas.

It is the intent of the Legislature that the Office of the Attorney General vigorously represent the State of Texas in all litigation involving water rights disputes with the State of New Mexico, including but not limited to issues relating to the Elephant Butte Reservoir. Before proceeding, the Attorney General shall make every effort to achieve agreement among all involved parties in the State of Texas on the related issues.

17. **Excess Retained Collections.** In addition to funds appropriated above, the Office of the Attorney General is hereby appropriated Child Support Retained Collections receipts in excess of the amounts in the Comptroller's Biennial Revenue Estimate, plus federal matching funds, to be used in Strategy B.1.1, Child Support Enforcement and B.1.2, State Disbursement Unit, during the 2004–05 biennium.
18. **Crime Victims Services Publications.** It is the intent of the Legislature that any information disseminated by the Office of the Attorney General regarding crime victims services be published in both English and Spanish.
19. **Hawkins Field Litigation.** Included in amounts appropriated above in Strategy A.1.1, Legal Services, is \$1,700,000 from the State Highway Fund 6 in fiscal year 2004 for litigation expenses related to the Hawkins Field lawsuit, or other litigation related to the conversion of mineral rights on state property.
20. **Interagency Contract with the Texas Department of Criminal Justice.** Notwithstanding Rider 10 above, Interagency Contracts for Legal Services, the Office of the Attorney General is appropriated any funds transferred from the Texas Department of Criminal Justice (TDCJ) pursuant to an interagency contract for the Office of the Attorney General to provide legal services to the Texas Department of Criminal Justice.
21. **Interagency Contract with the Department of Public Safety.** Notwithstanding Rider 10 above, Interagency Contracts for Legal Services, the Office of the Attorney General is appropriated any funds transferred from the Department of Public Safety pursuant to an interagency contract for the Office of the Attorney General to provide legal services to the Department of Public Safety.
22. **Contingent Appropriation for House Bill 2588: Title IV-D Agency.** Contingent upon the enactment of House Bill 2588 or similar legislation by the Seventy-eighth Legislature, Regular Session, relating to the assessment of application and service fees by the Title IV-D agency:
  - a. general revenue amounts appropriated to the Office of the Attorney General for Strategy B.1.1, Child Support Enforcement, shall be reduced by \$1,958,243 in fiscal year 2004 and \$2,130,890 in fiscal year 2005; and
  - b. the Office of the Attorney General is hereby appropriated all revenue from such application and service fees, estimated to be \$1,958,243 in fiscal year 2004 and \$2,130,890 in fiscal year 2005, for use in Strategy B.1.1, Child Support Enforcement.

BOND REVIEW BOARD

	For the Years Ending	
	August 31,	August 31,
	2004	2005
Out of the General Revenue Fund:		
<b>A. Goal: PROTECT TEXAS BOND RATING</b>		
Ensure that Texas state bonds attain the highest possible bond rating and that these bonds are issued in a cost-effective manner.		
<b>A.1.1. Strategy: REVIEW BOND ISSUES</b>	\$ 108,563	\$ 108,563
Review each Texas Bond Review Board project application to ensure proper legal authorization, accurate and adequate disclosure, appropriate use of call provisions, bond insurance and other provisions which affect marketability.		
<b>Output (Volume):</b>		
Number of State Bond Issues and Lease-purchase Projects Reviewed	42	42
<b>A.1.2. Strategy: STATE BOND DEBT</b>	\$ 108,563	\$ 108,563
Analyze and report to the Legislature, rating agencies, and other interested parties on Texas' debt burden, credit-worthiness and capital expenditure plan. Analyze and report to the Legislature and other policymakers actions that would raise the state's bond rating and/or lower state borrowing costs.		
<b>Output (Volume):</b>		
Number of Responses to Debt Information Requests	150	150
<b>Total, Goal A: PROTECT TEXAS BOND RATING</b>	\$ 217,126	\$ 217,126
<b>B. Goal: LOCAL BOND DEBT</b>		
Ensure that public officials have access to current information regarding local government debt issuance, finance and debt management.		
<b>B.1.1. Strategy: LOCAL BOND DEBT</b>	\$ 196,448	\$ 196,448
Collect, maintain and analyze data on the current status of and improvements to local government debt issuance finance and debt management. Report findings to the Legislature, other state officials and local policymakers.		
<b>Output (Volume):</b>		
Number of Local Government Financings Analyzed	1,100	1,100
<b>C. Goal: PRIVATE ACTIVITY BONDS</b>		
Ensure that the authorization to issue private activity bonds for Texas state and local entities is allocated consistently with legislative mandates, in the most equitable manner possible, and in the best interest of the people of Texas.		
<b>C.1.1. Strategy: PRIVATE ACTIVITY BONDS</b>	\$ 103,393	\$ 103,393
Administer the private activity bond allocation program efficiently and effectively to ensure the total utilization of the state's annual private activity bond allocation according to federal regulations and compile and analyze the results of each allocation in an annual report.		
<b>Output (Volume):</b>		
Number of Applications Reviewed	360	375
<b>Grand Total, BOND REVIEW BOARD</b>	\$ 516,967	\$ 516,967

**BOND REVIEW BOARD**  
(Continued)

<b>Number of Full-Time-Equivalent Positions (FTE):</b>	9.5	9.5
<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 3	\$80,000	\$80,000
<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 472,000	\$ 472,000
Other Personnel Costs	6,000	6,000
Professional Fees and Services	1,000	1,000
Consumable Supplies	3,000	3,000
Utilities	500	500
Travel	2,000	2,000
Rent - Machine and Other	3,600	3,600
Other Operating Expense	28,867	28,867
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 516,967</b>	<b>\$ 516,967</b>

1. **Debt Issuance Technical Assistance to School Districts.** It is the intent of the Legislature that the Bond Review Board (BRB) and any other public entities or outside consultants determined by the BRB to be needed, provide technical assistance to school districts entering into bonded indebtedness or lease purchase agreements. This assistance may include, but is not limited to: advising districts of the financial implications of debt and lease purchase agreements; the appropriate criteria districts should consider in debt-related decision making; and options available to districts in the issuance of debt.

**BUILDING AND PROCUREMENT COMMISSION\***

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: PROCUREMENT</b>		
Manage a procurement system that ensures the state receives quality, cost-effective goods and services and maximizes competition while facilitating business opportunities for Historically Underutilized Businesses (HUBs).		
<b>Outcome (Results/Impact):</b>		
Percentage of Awards Made to HUBs Based on State Term and Schedule Contracts	22%	22%
Percent Increase in Dollar Value of Purchases Made through the TBPC Cooperative (Co-op) Program	12%	15%
Percentage of Post-payment Audits Completed	50%	50%
<b>A.1.1. Strategy: STATEWIDE PROCUREMENT</b>	\$ 2,428,675	\$ 2,428,675
Provide a competitive procurement system that maximizes the state's buying power by providing statewide contracts, technical expertise, and innovative procurement tools to state agencies and cooperative entities.		
<b>Output (Volume):</b>		
Number of New, Revised, and Renewed Term Contracts Awarded	164	165
<b>A.1.2. Strategy: TRAINING AND COMPLIANCE</b>	\$ 330,147	\$ 330,147
Ensure state purchasers are qualified and follow procurement practices that are cost effective and maximize competition.		

\*Modified by Article IX, Section 12.02 due to passage of House Bill 3442, regular session. Also modified by Article IX, Section 12.04.



BUILDING AND PROCUREMENT COMMISSION  
(Continued)

<b>A.1.3. Strategy:</b> STATEWIDE HUBS Facilitate statewide use of HUBs through effective promotion of business opportunities and ensure integrity of the program through certification, compliance, and reporting functions.	\$	552,508	\$	552,508
<b>A.1.4. Strategy:</b> TRAVEL PROCUREMENT Minimize statewide travel costs through effective procurement and management of airline, hotel, and rental car contracts.	\$	190,730	\$	190,730
<b>Output (Volume):</b> Number of State Travelers Using Travel Contracts		30,000		30,000
<b>Total, Goal A: PROCUREMENT</b>	\$	3,502,060	\$	3,502,060
<b>B. Goal: FACILITIES CONSTRUCTION AND LEASING</b> Provide office space for state agencies through construction and leasing services.				
<b>Outcome (Results/Impact):</b>				
Square Footage of Office Space Leased Per Full-Time Equivalent		153		153
Cost Savings Achieved through Efficient Use of State-owned Space		2,126,027		2,145,674
Cost Savings Achieved through the Negotiation of Leased Space		5,381,925		5,116,634
Percentage of Completed Construction Projects on Schedule within Budget		90%		90%
Cost Savings Achieved by Moving State Agencies from Leased Space to State-owned Space		100,000		500,000
<b>B.1.1. Strategy:</b> LEASING Provide quality leased space for state agencies at the best value for the state.	\$	231,361	\$	231,361
<b>Output (Volume):</b>				
Total Number of Leases Awarded, Negotiated, or Renewed		196		204
Percent Reduction of Leased Square Footage of Office and Warehouse Space		20%		20%
<b>Explanatory:</b>				
Number of Emergency Leases Awarded, Negotiated, or Renewed		0		0
Total Square Footage of Office and Warehouse Space Leased		10,509,377		10,081,028
<b>B.1.2. Strategy:</b> FACILITIES PLANNING Ensure that the state optimizes the use of leased, purchased, and constructed office space by providing planning and space management services to state agencies.	\$	187,256	\$	187,256
<b>B.2.1. Strategy:</b> BUILDING DESIGN AND CONSTRUCTION Provide a comprehensive program to ensure that state facilities are designed and built timely, cost effectively, and are of the highest quality.	\$	5,023,116	\$	2,957,863
<b>Total, Goal B: FACILITIES CONSTRUCTION AND LEASING</b>	\$	5,441,733	\$	3,376,480
<b>C. Goal: PROPERTY MANAGEMENT</b> To protect and cost effectively manage and maintain state-owned facilities.				
<b>C.1.1. Strategy:</b> CUSTODIAL Provide cost-effective and efficient custodial services for state facilities.	\$	4,868,108	\$	4,868,108
<b>Efficiencies:</b>				
Average Cost Per Square Foot of TBPC-provided Custodial Services		.08		.08
Average Cost Per Square Foot of Privatized Custodial Services		.08		.08

**BUILDING AND PROCUREMENT COMMISSION**  
(Continued)

<b>C.2.1. Strategy:</b> FACILITIES OPERATION	\$	27,458,858	\$	21,226,376
Provide a comprehensive program to protect the State's investment in facilities by eliminating deferred maintenance needs, providing grounds maintenance and minor construction services, improving the reliability of mechanical systems, and promoting efficient energy consumption and recycling.				
<b>Efficiencies:</b>				
Average Cost Per Square Foot of All Building Maintenance		1.3		1.3
<b>Total, Goal C: PROPERTY MANAGEMENT</b>	\$	32,326,966	\$	26,094,484
<b>D. Goal: SUPPORT SERVICES</b>				
To provide support to state agencies including office services, fleet management, and surplus property needs.				
<b>Outcome (Results/Impact):</b>				
Estimated Savings to State Agencies on Purchases from the Central Supply Store		1,000,000		1,000,000
<b>D.1.1. Strategy:</b> CENTRAL OFFICE SERVICES	\$	4,726,816	\$	4,701,816
Provide for the timely and cost-effective delivery of office supplies, mail processing and printing to state agencies.				
<b>D.1.2. Strategy:</b> FLEET MANAGEMENT	\$	249,221	\$	249,221
Develop and maintain a statewide vehicle fleet management system to provide detailed data on fleet use, to identify potential vehicle pooling or alternative fuel use opportunities.				
<b>D.2.1. Strategy:</b> SURPLUS PROPERTY MANAGEMENT	\$	2,001,909	\$	2,001,909
To provide timely, appropriate, and cost-effective opportunities for disposal of state and federal surplus property to maximize the value received by the state.				
<b>Output (Volume):</b>				
Dollar Amount of Federal Surplus Property Donated		22,000,000		24,200,000
<b>Total, Goal D: SUPPORT SERVICES</b>	\$	6,977,946	\$	6,952,946
<b>E. Goal: INDIRECT ADMINISTRATION</b>				
<b>E.1.1. Strategy:</b> CENTRAL ADMINISTRATION	\$	2,698,699	\$	2,698,699
<b>E.1.2. Strategy:</b> INFORMATION RESOURCES	\$	2,140,545	\$	2,166,545
<b>E.1.3. Strategy:</b> OTHER SUPPORT SERVICES	\$	1,066,753	\$	1,066,753
<b>Total, Goal E: INDIRECT ADMINISTRATION</b>	\$	5,905,997	\$	5,931,997
<b>Grand Total, BUILDING AND PROCUREMENT COMMISSION</b>	\$	54,154,702	\$	45,857,967
<b>Method of Financing:</b>				
<u>General Revenue Fund</u>				
General Revenue Fund	\$	31,753,010	\$	31,540,575
Subtotal, General Revenue Fund	\$	31,753,010	\$	31,540,575
<u>General Revenue Fund - Dedicated</u>				
Texas Department of Insurance Operating Fund Account No. 036		1,030,083		1,030,083
Surplus Property Service Charge Fund Account No. 570		1,573,022		1,573,022
Subtotal, General Revenue Fund - Dedicated	\$	2,603,105	\$	2,603,105

BUILDING AND PROCUREMENT COMMISSION  
(Continued)

<u>Other Funds</u>		
Appropriated Receipts	2,782,447	1,640,159
Interagency Contracts	10,149,128	10,074,128
Bond Proceeds - General Obligation Bonds	6,207,482	0
Bond Proceeds - Revenue Bonds	500,000	0
Capitol Complex Area Fund No. 7	159,530	0
Subtotal, Other Funds	\$ 19,798,587	\$ 11,714,287
<b>Total, Method of Financing</b>	<b>\$ 54,154,702</b>	<b>\$ 45,857,967</b>
<b>Other Direct and Indirect Costs Appropriated Elsewhere in this Act</b>	<b>\$ 219,082</b>	<b>\$ 218,490</b>
<b>Number of Full-Time-Equivalent Positions (FTE):</b>	<b>688.0</b>	<b>688.0</b>
<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 4	\$115,000	\$115,000
<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 16,923,956	\$ 16,923,956
Other Personnel Costs	518,236	518,236
Operating Costs	75,000	0
Professional Fees and Services	1,592,159	1,592,159
Fuels and Lubricants	70,437	70,437
Consumable Supplies	1,368,540	1,368,540
Utilities	12,871,792	12,871,792
Travel	134,660	134,660
Rent - Building	413,580	413,580
Rent - Machine and Other	213,677	213,677
Other Operating Expense	9,482,147	9,482,147
Capital Expenditures	10,490,518	2,268,783
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 54,154,702</b>	<b>\$ 45,857,967</b>

1. **Information Listing of Appropriated Funds.** The appropriations made in this and other Articles of this Act to the Texas Building and Procurement Commission for lease payments to the Texas Public Finance Authority, are subject to the following provision. The following amounts shall be used for the purpose indicated.

	For the Fiscal Year Ending	
	August 31,	August 31,
	<u>2004</u>	<u>2005</u>
Strategy C.2.2., Lease Payments	\$ 46,395,405	\$ 46,336,794
	<u><u>                    </u></u>	<u><u>                    </u></u>
Method of Financing:		
General Revenue Fund	\$ 33,907,692	\$ 43,363,384
General Revenue–Dedicated		
Department of Insurance Companies Operating		
Fund Account No. 036	2,974,925	2,973,410

**BUILDING AND PROCUREMENT COMMISSION**  
(Continued)

Current Fund Balance	<u>9,512,788</u>	<u>0</u>
Total, Method of Financing, Lease Payments	<u>\$ 46,395,405</u>	<u>\$ 46,336,794</u>

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, § 1232.103.

	<u>2004</u>	<u>2005</u>
a. Construction of Buildings and Facilities		
(1) Construction of Buildings	\$ 2,738,435 & UB	\$ 2,000,000 & UB
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Asbestos Abatement and Building Repair	1,301,818 & UB	UB
(2) Deferred Maintenance	6,207,482 & UB	UB
Total, Repair or Rehabilitation of Buildings and Facilities	\$ 7,509,300	\$ 0
c. Acquisition of Information Resource Technologies		
(1) Computer Equipment	26,000	0
d. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Print Shop Equipment, 2 Color Offset Press	6,136	0
(2) Print Shop Equipment, Imagesetter	40,156	20,008
(3) Print Shop Equipment, Two Color Press	88,480	88,121
(4) Print Shop Equipment, Three Knife Book Trimmer	23,572	23,464
Total, Other Lease Payments to the Master Lease Purchase Program (MLPP)	\$ 158,344	\$ 131,593
Total, Capital Budget	<u>\$ 10,432,079</u>	<u>\$ 2,131,593</u>

Method of Financing (Capital Budget):

General Revenue Fund	\$ 264,435	\$ 0
<u>Other Funds</u>		
Capitol Complex Area Fund No. 7	159,530	0
Appropriated Receipts	1,142,288	0
Interagency Contracts	2,158,344	2,131,593
Bond Proceeds - General Obligation Bonds	6,207,482	UB
Bond Proceeds - Revenue Bonds	500,000	UB
Subtotal, Other Funds	\$ 10,167,644	\$ 2,131,593
Total, Method of Financing	<u>\$ 10,432,079</u>	<u>\$ 2,131,593</u>

## **BUILDING AND PROCUREMENT COMMISSION**

(Continued)

3. **Unexpended Balances of Bond Proceeds Appropriated and Deferred Maintenance Funds.** Included in amounts appropriated above are unexpended and unobligated balances remaining as of August 31, 2003, (not to exceed \$500,000) for construction projects for the 2004–05 biennium for Strategy B.2.1, Building Design and Construction, in Bond Proceeds-Revenue Bonds provided by the Texas Public Finance Authority.

Included in the amounts appropriated above are unexpended and unobligated balances remaining as of August 31, 2003, (not to exceed \$6,207,482) for deferred maintenance for the 2004–05 biennium to Strategy C.2.1, Facilities Operation, in General Obligation Bonds.

4. **Appropriation of Construction and Planning Fund.** Included in amounts appropriated above are unexpended and unobligated balances in revenues remaining as of August 31, 2003, and revenues accruing pursuant to § 2166.157, Title 10, Government Code from appropriations for engineering, architectural, and other planning expenses necessary to make a construction project analysis for 2004–05 biennium to Strategy B.2.1, Building Design and Construction, not to exceed \$27,241 in General Revenue.

5. **Appropriation of Unexpended Balances in Construction Funds.** Included in amounts appropriated above are unexpended and unobligated balances in revenues remaining as of August 31, 2003 for property acquisition, repairs, and renovations for the abatement to facilities under the Commission's authority to Strategy B.2.1, Building Design and Construction, not to exceed \$1,301,818 (consisting of \$159,530 in Capitol Area Complex Fund No. 007 and \$1,142,288 in Appropriated Receipts). The Commission will notify the Legislative Budget Board and the Governor of all expenditures for emergency repairs.

Any unexpended balances remaining as of August 31, 2004 out of the appropriations herein are hereby appropriated to the Building and Procurement Commission for the fiscal year beginning September 1, 2004 for the same purpose.

6. **Transfer Authority - Utilities.** In order to provide for unanticipated cost increases in purchased utilities during fiscal year 2004, the Texas Building and Procurement Commission may transfer such amounts as may be necessary to cover such increases from appropriations made in fiscal year 2005 for utilities in C.2.1, Facilities Operation, to amounts appropriated in fiscal year 2004 for utilities. Prior to transferring fiscal year 2005 funds into the 2004 fiscal year, notification shall be given to the Comptroller of Public Accounts of the amounts to be transferred and quarterly reports shall be filed with the Legislative Budget Board and the Governor detailing the necessity for such transfers.
7. **Maintenance - Aircraft Pooling Board.** The Texas Building and Procurement Commission shall be responsible for the maintenance of state owned real property and facilities acquired for use by the Aircraft Pooling Board.
8. **Approval of Space Leases and Bid Specifications.** All state office space leases and bid specifications must be approved by the Texas Building and Procurement Commission before signed or published by an agency. Bid specifications and leases will be considered approved if no exception is taken by the commission within 15 working days.
9. **Employee Testing.** Out of the funds appropriated herein, the Texas Building and Procurement Commission is authorized to pay for medical testing for employees or prospective employees that work in high risk environment areas (e.g., asbestos removal, sewage). Funds appropriated above may also be expended for immunizations which are required of employees at risk in the performance of these duties. Testing deemed necessary under this provision must be approved by the Executive Director and obtained for the safety of the employee or the general public.

**BUILDING AND PROCUREMENT COMMISSION**  
(Continued)

10. **Office Notification Policy.** Before relocation of an office, execution of a contract for lease of a state office, or before implementing a change in policy which affects office location, the Legislative members for the respective district must be notified to the extent possible.
11. **Cost Recovery, Reimbursement of General Revenue Funds.** In the event that the Leasing Services Program or any other function funded with general revenue in the above strategies, recovers operational costs through reimbursements from other agencies or entities, the Texas Building and Procurement Commission shall reimburse the General Revenue Fund for the amounts expended. Upon reimbursement, the Comptroller shall transfer these funds to unappropriated general revenue balances.
12. **Texas Building and Procurement Commission's Revolving Account.** It is the intent of the Legislature that the Comptroller of Public Accounts maintain the "Texas Building and Procurement Commission's Revolving Account" to account for the expenditures, revenues, and balances of its full cost-recovery operations of Central Store, Print Shops, Minor Construction, and Project Management. The expenditures, revenues, and balances for each operation shall be maintained separately by the Texas Building and Procurement Commission within its accounting system. Included in funds appropriated above are unexpended and unobligated balances for these operations as of August 31, 2003 (not to exceed \$75,000 in Interagency Contracts) for use during the 2004–05 biennium, along with any revenues received during the biennium. Any unobligated balances as of August 31, 2004, are appropriated for the same use during fiscal year 2005.
13. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines and other miscellaneous revenues as authorized and generated by the operation of the Federal Surplus Property program cover, at a minimum, the cost of the appropriations made for the Federal Surplus Property Program above for strategy item D.2.1, Surplus Property Management, as well as the "other direct and indirect costs" associated with this program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the Federal Surplus Property Program above for strategy item D.2.1, Surplus Property Management, are estimated to be \$219,082 for fiscal year 2004 and \$218,490 for fiscal year 2005. In the event that the actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided herein to be within the amount of fee revenue expected to be available. Any unexpended balances as of August 31, 2003 (estimated to be \$0), in Surplus Property Service Charge Account Fund 570 are hereby appropriated to the Texas Building and Procurement Commission for costs associated with the operations of the Federal Surplus Property Program during the 2004–05 biennium. Any balances remaining on August 31, 2004, are appropriated for the same use during fiscal year 2005.
14. **Unexpended Balances, Bidders List Fees.** The Texas Building and Procurement Commission is hereby authorized to carry forward unexpended balances received from bidders list fees collected during fiscal year 2004 to fiscal year 2005 for the cost of maintaining a consolidated statewide bidders list.
15. **Electronic Purchasing Costs.** The Texas Building and Procurement Commission (TBPC) is authorized to establish an electronic purchasing service for all state agencies and institutions of higher education that choose to use it. This service may only be provided on a full cost recovery basis, such that agencies and institutions of higher education will pay for their share of the costs of this service. In addition, the TBPC is authorized to charge vendors for their share of the costs related to electronic purchasing. Any such reimbursement amounts are hereby appropriated to the TBPC. As an alternative to charging vendors, TBPC may enter into agreements with vendors so that payments for electronic purchasing costs are made by TBPC and a vendor on a pro rata basis.

**BUILDING AND PROCUREMENT COMMISSION**  
(Continued)

16. **Standby Pay.** It is expressly provided that the Texas Building and Procurement Commission, to the extent permitted by law, may pay compensation for on-call time at the following rates: credit for one hour worked for each day on-call during the normal work week, and two hours worked for each day on-call during weekends and on holidays. This credit shall be in addition to actual hours worked during normal duty hours and actual hours worked during on-call status. For employees subject to the Fair Labor Standards Act (FLSA) an hour of on-call service shall be considered to be an hour worked during the week for purposes of the FLSA only to the extent required by federal law.
17. **Capitol Complex—Utilities.** Notwithstanding any other provision in this Act, the Texas Building and Procurement Commission shall be responsible for the payment of all utility costs out of appropriated funds in Strategy C.2.1, Facilities Operation, for the Capitol, the Capitol Extension, the Historic Capitol Grounds, the 1857 General Land Office Building, and the State History Museum.
18. **County Employee Travel.** Included in amounts appropriated above are fees paid by local Governments to the Texas Building and Procurement Commission (TBPC) for local law enforcement officials and county employees to use TBPC travel service contracts when transporting a state prisoner or traveling on official county business. The funds included above are to be used to recover agency costs to Strategy A.1.4, Travel Procurement, estimated to be \$35,000 in Appropriated Receipts for each fiscal year of the biennium.
19. **State Owned Housing.** A State Cemetery employee is authorized to live in the State Cemetery Caretaker's residence as set forth in Article IX, State Owned Housing - Recover Housing Costs, of this Act. Funds recovered for employee housing are hereby appropriated to the agency to maintain the State Cemetery Caretaker's residence.
20. **Night Shift Differential.** It is expressly provided that the Texas Building and Procurement Commission, to the extent provided by law, is hereby authorized to pay an additional night shift differential to Print Shop, Environmental Services, and Property Management employees.
21. **State-Owned Space.** It is the intent of the Legislature that state agencies be located in state-owned buildings or facilities whenever possible. The Texas Building and Procurement Commission shall prioritize state-owned buildings or space when locating office space for state agencies.
22. **Texas State Cemetery.**
  - a. Out of funds appropriated above, in Strategies C.2.1, Facilities Operation and B.2.1, Building Design and Construction, there is hereby allocated a total of \$495,726 for each year of the biennium beginning September 1, 2003, for the purpose of operation and maintenance, including constructing and furnishing facilities, at the Texas State Cemetery and/or the cemetery annex and for developing and maintaining a master plan for the Texas State Cemetery.
  - b. Any unexpended balances, as of August 31, 2003, remaining from the allocation for the Texas State Cemetery in Rider 27, page I-49, General Appropriations Act (2002–03 Biennium), not to exceed \$211,194 in General Revenue Funds, is included in amounts appropriated above in Strategy B.2.1, Building Design and Construction, for the purposes specified by this section.
23. **State Office Lease Space.** The Leasing Division of the Texas Building and Procurement Commission shall make a good faith effort to provide a state agency, whose central operations are located within Travis County and that is in the process of initiating or renewing a lease agreement for office space, with information on lease availability, terms, and rates in other Texas counties in addition to Travis County. Additionally, if an agency requests initiation or

BUILDING AND PROCUREMENT COMMISSION  
(Continued)

renewal of a lease agreement in Travis County, the agency shall provide the Texas Building and Procurement Commission written justification for the reason(s) the proposed lease must be located in Travis County.

24. **Historically Underutilized Business Disparity Study.** Out of amounts appropriated above, but not including Strategy A.1.3, Statewide HUBs, the Building and Procurement Commission shall conduct a Historically Underutilized Business Disparity Study, to obtain information on the procurement of goods and services for targeted markets for state agencies and institutions of higher education. The study should also provide reliable information based on the current economy and the state’s use of minority and women-owned businesses.
25. **State and Federal Surplus Property.** Included in amounts appropriated above in Strategy D.2.1, Surplus Property Management, are appropriations not to exceed \$4,003,818 from receipts collected for the biennium beginning September 1, 2003 to be collected pursuant to Chapter 2175, Government Code. The Texas Building and Procurement Commission may not expend, in a given fiscal year, an amount greater than the amount of receipts collected during the biennium pursuant to Chapter 2175, Government Code and appropriated by Article IX, § 8.04 of this Act in that fiscal year.

CANCER COUNCIL

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: CANCER SERVICES</b>		
To ensure that all Texans have prompt access to quality cancer prevention and control information and services in order to increase the number of Texans surviving or never developing cancer.		
<b>A.1.1. Strategy: ENHANCE CANCER SERVICES</b>	\$ 3,049,039	\$ 3,049,039
Mobilize and assist public, private, and volunteer sector agencies and individuals to enhance the availability and quality of cancer prevention and control services and policies.		
<b>Output (Volume):</b>		
Number of People Directly Served by Council-funded Cancer Prevention and Control Activities	612,400	646,583
Number of Health Care and/or Education Professionals Who Receive Council-funded Training or Materials	354,702	372,438
Number of Private and Public Grants Pursued by the Cancer Council and Local Contractors in an Effort to Increase Funding	62	65
Number of Clock Hours Donated to Local Contractors and the Council for Public Awareness, Professional Education, Early Detection Activities, and Other Activities Implementing the Texas Cancer Plan	259,317	272,283
<b>Efficiencies:</b>		
Average Cost Per Health Care and/or Education Professional Trained	2.98	2.98
<b>Explanatory:</b>		
Annual Age-adjusted Cancer Mortality Rate	193.7	192.2
<b>B. Goal: DIRECT AND INDIRECT ADMINISTRATION</b>		
<b>B.1.1. Strategy: DIRECT AND INDIRECT ADMINISTRATION</b>	\$ 439,500	\$ 439,500
<b>Grand Total, CANCER COUNCIL</b>	<b>\$ 3,488,539</b>	<b>\$ 3,488,539</b>



**CANCER COUNCIL**  
(Continued)

<b>Method of Financing:</b>			
General Revenue Fund	\$	3,480,539	\$ 3,480,539
GR Dedicated - Texans Conquer Cancer License Plates Account No. 5090		8,000	8,000
<hr/>			
<b>Total, Method of Financing</b>	\$	3,488,539	\$ 3,488,539
<hr/>			
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		8.0	8.0
 <b>Schedule of Exempt Positions:</b>			
Executive Director, Group 2		\$57,691	\$57,691
 <b>Object-of-Expense Informational Listing:</b>			
Salaries and Wages	\$	319,543	\$ 319,543
Other Personnel Costs		7,220	8,120
Operating Costs		123,937	123,037
Grants		3,037,839	3,037,839
<hr/>			
<b>Total, Object-of-Expense Informational Listing</b>	\$	3,488,539	\$ 3,488,539
<hr/>			

1. **Unexpended Balances.** Any unexpended balances in the appropriations for the fiscal year ending August 31, 2004, may be carried forward into fiscal year 2005 and such balances are hereby appropriated.
2. **Public and Private Grants.** The Cancer Council shall continue to identify any appropriate public or private grants for the purpose of receiving and administering such awards to further the goals of the Texas Cancer Plan. The Cancer Council shall report to the Legislative Budget Board and the Governor by July 1, 2004 on its findings and implementation plan to pursue appropriate grant awards as they become available.
3. **Appropriation of License Plate Revenue.** Funds appropriated above include \$8,000 in 2004 and \$8,000 in 2005 from revenues deposited in the General Revenue–Dedicated Account No. 5090, Texans Conquer Cancer License Plates, under Transportation Code § 502.2735. Any unexpended balances as of August 31, 2004 from the amounts appropriated may be carried forward into fiscal year 2005.

**COMPTROLLER OF PUBLIC ACCOUNTS\***

		For the Years Ending	
		August 31,	August 31,
		2004	2005
		<hr/>	<hr/>
<b>A. Goal: COMPLIANCE WITH TAX LAWS</b>			
To improve voluntary compliance with tax laws.			
<b>Outcome (Results/Impact):</b>			
Percent Accuracy Rate of Reported Amounts on Original Audits		98%	98%
Average Monthly Delinquent Account Closure Rate per Enforcement Collector		318	318
Percentage of Proposed Decisions by Administrative Law Judges Issued Within 40 Days of the Record Closing		97%	97%
<b>A.1.1. Strategy: ONGOING AUDIT ACTIVITIES</b>	\$	58,205,118	\$ 58,205,118
Maintain an ongoing program of audit and verification activities in support of improved tax compliance.			

\*Modified by Article IX, Section 11.21 due to passage of House Bill 1365, regular session.

COMPTROLLER OF PUBLIC ACCOUNTS  
(Continued)

<b>Output (Volume):</b>			
Number of Audits and Verifications Conducted	14,000		14,000
<b>Efficiencies:</b>			
Average Dollars Assessed to Dollar Cost	21		21
<b>A.2.1. Strategy: TAX LAWS COMPLIANCE</b>	\$ 32,116,770	\$	32,116,770
Improve voluntary compliance with tax laws by maximizing the efficiency of the delinquent taxpayer contact and collection program.			
<b>Efficiencies:</b>			
Delinquent Taxes Collected Per Collection-related Dollar Expended	76		76
<b>A.3.1. Strategy: TAXPAYER INFORMATION</b>	\$ 13,728,549	\$	13,728,549
Provide accurate and timely tax information to taxpayers, tax professionals, state officials, and the citizens of Texas.			
<b>Output (Volume):</b>			
Total Number of Written Responses Issued by the Tax Policy Sections (Excluding Exempt Organizations) and the Information Support Section	11,800		12,840
<b>Efficiencies:</b>			
Percent of Written Responses Issued by the Tax Policy Sections (Excluding Exempt Organizations) and the Information Support Section within 7 Working Days	85%		85%
<b>A.4.1. Strategy: TAX HEARINGS</b>	\$ 7,594,347	\$	7,594,347
Provide fair and timely hearings, represent the agency in administrative hearings on tax matters, and provide legal counsel and research to the agency.			
<b>Output (Volume):</b>			
Number of Final Decisions Rendered by Administrative Law Judges	1,300		1,300
<b>Efficiencies:</b>			
Average Length of Time (Work Days) Taken to Issue a Proposed Decision Following Record Closing	10		10
<b>Total, Goal A: COMPLIANCE WITH TAX LAWS</b>	\$ 111,644,784	\$	111,644,784

<b>B. Goal: MANAGE FISCAL AFFAIRS</b>			
To efficiently manage the state’s fiscal affairs.			
<b>Outcome (Results/Impact):</b>			
Percent of Fund Accounting Customers Who Return an Overall Customer Service Rating of Good or Excellent on Surveys	98%		98%
Percent of Texas School Performance Review Recommendations Implemented	87%		87%
Percentage of Independent School Districts in which PTD Met the Target Margin of Error	95%		95%
Percent of TPR Recommendations Successfully Implemented through Legislation or by State Agencies and Institutions of Higher Education	0%		60%
Increased Interest Earned through Minimization of Float (Banking) (Millions)	2,560,000		2,560,000
<b>B.1.1. Strategy: ACCOUNTING/REPORTING</b>	\$ 9,119,606	\$	9,119,606
Project the receipts and disbursements of state government under Article III, Sec. 49a, Texas Constitution and complete all state accounting and reporting responsibilities in an efficient and timely manner.			
<b>Efficiencies:</b>			
Number of Staff Hours Required to Produce the Comprehensive Annual Financial Report	9,500		9,000
<b>B.1.2. Strategy: CLAIMS AND PAYMENTS</b>	\$ 9,737,679	\$	9,737,679
Accurately and expeditiously audit and process all claims for payment against the state, issue			

COMPTROLLER OF PUBLIC ACCOUNTS  
(Continued)

payments (warrants and direct deposit), and  
provide assistance and training to state  
agencies.

Output (Volume):

Total Number of Payments Issued 24,919,827 25,061,909

B.2.1. Strategy: TEXAS SCHOOL PERFORMANCE  
REVIEW

\$ 3,727,714 \$ 3,727,714

Review the efficiency and effectiveness of  
school district, college or university  
operations and other education-related entities  
in order to ensure the highest and best use of  
taxpayer dollars through the Texas School  
Performance Review.

Output (Volume):

Number of School Districts, Colleges and Universities  
Evaluated

20 20

B.4.1. Strategy: PROPERTY TAX PROGRAM

\$ 6,415,288 \$ 6,415,288

Fulfill tax code and education code mandates by  
conducting an annual property value study;  
providing technical assistance; and reviewing  
appraisal methods, standards, and procedures.

Output (Volume):

Number of Properties Included in the Property Value Study

124,000 124,000

Efficiencies:

Average Direct Cost Per Appraisal District Methods,  
Standards, and Procedures (MSP) Review

550 550

B.5.1. Strategy: FISCAL RESEARCH & STUDIES

\$ 9,624,697 \$ 9,624,697

Provide the public and private sectors with  
reliable information resources and analysis to  
ensure the most effective and efficient use of  
taxpayer dollars.

Output (Volume):

Number of Requests for Local Government Assistance  
Completed

20,000 20,000

Number of Financial Management Reviews Conducted

40 40

Number of Texas Performance Reviews Completed

3 3

B.6.1. Strategy: TREASURY OPERATIONS

\$ 4,717,810 \$ 4,717,810

Ensure that the state's assets, cash receipts,  
and warrants are properly secured, processed,  
deposited, and accounted for.

B.7.1. Strategy: INTEGRATED STATEWIDE ADMIN  
SYSTEM

\$ 2,453,538 \$ 2,453,538

Develop and maintain a client server integrated  
financial system that meets agencies'  
financial, administrative and technological  
needs through the following modules: general  
ledger accounting, asset management,  
purchasing, budget preparation and labor  
distribution.

Output (Volume):

Number of Integrated Statewide Administrative System  
(ISAS) Training Hours Provided to State Agency Personnel

4,000 4,000

Total, Goal B: MANAGE FISCAL AFFAIRS \$ 45,796,332 \$ 45,796,332

C. Goal: TAX AND FINANCIAL INFO TECHNOLOGY

To expeditiously manage the receipt and disbursement of state tax  
revenue.

Outcome (Results/Impact):

Time Taken to Return Tax Allocation to Local Jurisdictions  
(Days)

21 21

C.1.1. Strategy: REVENUE & TAX PROCESSING

\$ 37,538,496 \$ 37,538,496

Provide for and improve the processing of tax  
and voucher data, collection and allocation of

COMPTROLLER OF PUBLIC ACCOUNTS  
(Continued)

tax revenue, and the disbursements of tax  
refunds.

Output (Volume):

Number of Tax Returns Processed 3,500,000 3,500,000

Efficiencies:

Average Number of Hours to Deposit Priority Receipts 7 7

Grand Total, COMPTROLLER OF PUBLIC ACCOUNTS \$ 194,979,612 \$ 194,979,612

Method of Financing:

General Revenue Fund \$ 194,542,827 \$ 194,539,632

GR Dedicated - Texas Emissions Reduction Plan Account No. 5071 160,515 163,710

Other Funds

Appropriated Receipts 101,270 101,270

Interagency Contracts 175,000 175,000

Subtotal, Other Funds \$ 276,270 \$ 276,270

Total, Method of Financing \$ 194,979,612 \$ 194,979,612

Number of Full-Time-Equivalent Positions (FTE): 2,932.0 2,932.0

Schedule of Exempt Positions:

Comptroller of Public Accounts, Group 4 \$92,217 \$92,217

Object-of-Expense Informational Listing:

Salaries and Wages \$ 143,593,034 \$ 143,593,034

Other Personnel Costs 3,589,475 3,589,475

Professional Fees and Services 9,851,775 9,851,775

Fuels and Lubricants 8,801 8,801

Consumable Supplies 1,224,124 1,224,124

Utilities 4,173,747 4,173,747

Travel 3,694,998 3,694,998

Rent - Building 2,553,689 2,553,689

Rent - Machine and Other 6,766,392 6,766,392

Other Operating Expense 19,523,577 19,523,577

Total, Object-of-Expense Informational Listing \$ 194,979,612 \$ 194,979,612

1. **Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the general provisions of this Act.

	2004	2005
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Daily Operations - Capital	\$ 7,748,377	\$ 7,748,377
(2) Data Center Operations	\$ 955,334	\$ 955,334
Total, Acquisition of Information Resource Technologies	\$ 8,703,711	\$ 8,703,711
Total, Capital Budget	\$ 8,703,711	\$ 8,703,711

## COMPTROLLER OF PUBLIC ACCOUNTS

(Continued)

2. **Appropriation of Receipts.** The Comptroller is hereby authorized to transfer appropriated funds and cash from the state agencies' funds and accounts to the Comptroller's Office to reimburse for the cost of mailing warrants and consolidating payments across agency and fund lines, making electronic transfers and data transmissions to financial institutions, vendors and associated activities. These, and all sums received in refund of postage, insurance, and shipping costs for the cigarette stamp program, are hereby appropriated to the Comptroller's Office.
3. **Support to the Board of Tax Professional Examiners.** It is the intent of the Legislature that the Comptroller of Public Accounts provide administrative support to the Board of Tax Professional Examiners, under interagency contract; such support to consist of the same levels of service and approximate costs as was provided to the Board of Tax Professional Examiners by the State Comptroller during the 2002–03 biennium.
4. **Employee Incentive Rider.** In addition to the existing authority and amounts related to employee compensation and benefits, the Comptroller of Public Accounts may expend amounts necessary from funds appropriated for the 2004–05 biennium for the purposes of enhancing compensation, providing incentives, or paying associated expenses for high performing employees within the Comptroller's Office.
5. **Capital Expenditures Authorized.** Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in this Act, the Comptroller of Public Accounts is hereby authorized to expend funds appropriated to the Comptroller of Public Accounts for the acquisition of capital budget items.
6. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Comptroller of Public Accounts is hereby authorized to direct agency resources, and transfer such amounts appropriated above between appropriation line items.
7. **Unexpended Balances Carried Forward Between Biennia.** All unexpended balances appropriated and/or allocated to the Comptroller of Public Accounts from the 2002–03 biennium due to efficiencies or other cost savings of the Comptroller are hereby appropriated for the 2004–05 biennium. The appropriations herein are for ensuring the continuation of high priority programs within the Comptroller's Office.
8. **Method of Finance, General Revenue.** There is included in the General Revenue appropriation made above to the Comptroller of Public Accounts, those amounts necessary for processing, auditing, enforcement and other purposes associated with the collection of motor fuels taxes. Pursuant to Article 8, § 7-a, of the Texas Constitution, 1 percent of the amounts of motor fuels taxes collected shall be deposited to the credit of the General Revenue Fund for costs incurred by the state in the collection of such taxes.
9. **Appropriation for Statutory Obligations.** The Comptroller of Public Accounts is hereby appropriated from Unclaimed Property Receipts all sums necessary to perform statutory obligations under §§ 74.201, 74.203, 74.601, and 74.602 of the Texas Property Code and to respond to public inquiries generated by the advertising program including, but not limited to, the hiring of temporary employees. Such amounts shall not exceed the amount of money credited to Unclaimed Property Receipts from unclaimed property proceeds.
10. **Uniform Statewide Accounting and Payroll Services and Technology.** There is hereby appropriated to the Comptroller of Public Accounts all revenues received as a result of cost sharing arrangements with other state agencies, other governmental units, or non-government entities for software, technology, licensing arrangements, royalty receipts, or other charges or receipts from the sharing of technological or other information, expertise, services, or

## COMPTROLLER OF PUBLIC ACCOUNTS (Continued)

cooperative agreements of any kind. Such revenues shall be available to the Comptroller for the use of further enhancement of automation and technology services, computer services, and time.

11. **Unexpended Balances Between Fiscal Years Within the Biennium.** Any unexpended balances as of August 31, 2004, in the appropriations made herein to the Comptroller of Public Accounts are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2004.
12. **Texas School Performance Reviews.** In view of the cost savings and efficiency measures accruing to school districts from School Performance Reviews, the Comptroller may enter into interlocal cost sharing agreements with school districts where districts requesting review will be responsible for up to 25 percent of the cost of such performance reviews. The Comptroller of Public Accounts shall be solely responsible for the terms and conditions of the contracts and administration of the program. However, any such cost sharing contracts shall include the school as a third party. The financial responsibility of such schools shall be a direct obligation of the school to pay the vendor upon approval of the work product by the Comptroller.
13. **Comptroller Fiscal Oversight Responsibilities.** In order to clearly differentiate between core Comptroller functions and those functions which are for fiscal oversight or primary benefit to units of government, it is the intent of the Legislature that the Legislative Budget Board and the Governor shall work cooperatively with the Comptroller to determine appropriate activities which should be recorded under Fiscal Programs - Comptroller of Public Accounts for budget and spending purposes. Specific activities include contract activities where outside vendors perform services for the benefit of units of local government. Examples of such programs include School Performance reviews, and reviews of cities, counties, hospital districts, mass transit authorities, community colleges, or other entities where work is directed at reducing the cost of government. All such appropriate costs for the 2004–05 biennium shall be recorded under Fiscal Programs - Comptroller of Public Accounts.

Expenditures for salaries, equipment, or other operating costs for core comptroller functions are not intended to be moved to the Fiscal Programs - Comptroller of Public Accounts through this process. The Legislative Budget Board and the Governor shall have the final determination on the most appropriate budget and method of recording such expenditures and shall prepare the next biennial budget recommendations accordingly.

14. **Texas Information Technology Academy.** A person while enrolled for training in the Texas Information Technology Academy or a similar program operated under the direction of the Comptroller (an “academy student”) shall not be counted toward the limit on the number of full-time-equivalent positions (FTEs) allowed to the comptroller during the period of their training and for one year following completion of the training.

A state agency that pays a salary to the student while the student is enrolled in the academy or that otherwise sponsors the student in the academy (the “sponsoring agency”) shall include the number of students enrolled in the academy on all reports concerning FTE limits; however, they shall not count the student toward the limit on the number of full-time-equivalent positions allowed to the agency during the period of their training and for one year following completion of the training.

The Comptroller and/or the State Auditor shall include the number of students enrolled in the academy in all reports concerning FTE limits; however, the Comptroller and/or the State Auditor shall report the number of students enrolled in the academy and for one year following completion of the training as a separate total from FTEs.

15. **Reimbursement for Treasury Operations.** In accordance with § 404.071, Government Code, the Comptroller of Public Accounts shall determine the costs incurred in receiving, paying,

## COMPTROLLER OF PUBLIC ACCOUNTS (Continued)

accounting for, and investing money in funds and accounts which are entitled to receive temporary interest. An amount equal to these costs shall be deducted from the interest earned on such funds and accounts and is hereby appropriated for deposit into the General Revenue Fund.

16. **Texas Performance Review.** Included in amounts appropriated above to Strategy B.5.1, Fiscal Research and Studies, out of the General Revenue Fund is an estimated \$2,535,013 in fiscal year 2004 and \$2,535,013 in fiscal year 2005 for review of government operations through the Texas Performance Review.
17. **Performance Reviews of General Academic Teaching Institutions.** Out of the funds appropriated above in Strategy B.2.1, Texas School Performance Review, the Comptroller of Public Accounts, in conjunction with the Higher Education Coordinating Board, may conduct performance reviews of General Academic Teaching Institutions during the 2004–05 biennium. Performance evaluations shall, at a minimum, consist of a review of 1) fiscal and management operations; 2) student services; 3) curriculum; and 4) benchmarks with respect to peer institutions.
18. **Tax Amnesty Program.** It is the intent of the Legislature that the Comptroller of Public Accounts establish, for a limited duration, a tax amnesty program under the authority of Tax Code, § 111.103, designed to encourage delinquent taxpayers to voluntarily report. Such a program should provide for the waiver of penalty or interest, or both, but shall not apply to a tax liability. It is the intent of the Legislature that this effort increase General Revenue Funds by at least \$50 million over the Comptroller's January 2003 Biennial Revenue Estimate.
19. **Increased State Revenue.** Included in the amounts appropriated above is \$46,679,076 for the biennium out of the General Revenue Fund for agency operations. The appropriation is contingent upon the Comptroller's certification of available General Revenue of \$72,458,711 for the biennium above the Biennial Revenue Estimate amounts.
20. **Improve Tax Compliance and Delinquent Revenue Collections.** Included in the amounts appropriated above, is \$4,468,931 for the fiscal year beginning on September 1, 2003 and \$4,468,931 for the fiscal year beginning on September 1, 2004 out of the General Revenue Fund for the purpose of implementing e-Texas recommendation GG-27, Improve Tax Compliance and Delinquent Revenue Collections with Additional Enforcement Coverage.

Included in the "Number of Full-Time-Equivalent Positions (FTE)" amount indicated in the bill pattern for the Comptroller of Public Accounts is 53 FTEs for each fiscal year of the biennium.

The appropriation is contingent upon the Comptroller's certification that increased tax collections estimated to be \$92,353,862 for the biennium would result from additional audit coverage and provide a net gain estimated to be \$83,416,000 in the General Revenue Fund.

21. **Increase Tax Compliance and State Revenue Through Additional Audit Coverage.** Included in amounts appropriated above is \$3,500,000 for the fiscal year beginning on September 1, 2003 and \$3,500,000 for the fiscal year beginning on September 1, 2004 out of the General Revenue Fund for the purpose of implementing e-Texas recommendation GG-29, Increase Tax Compliance and State Revenue Through Additional Audit Coverage.

Included in the "Number of Full-Time-Equivalent Positions (FTE)" amount indicated in the bill pattern for the Comptroller of Public Accounts is 50 FTEs for each fiscal year of the biennium.

The appropriation is contingent upon the Comptroller's certification that increased tax collections estimated to be \$30,000,000 for the biennium would result from additional audit coverage and provide a net gain estimated to be \$23,000,000 in the General Revenue Fund.

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS\*

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal:</b> CPA - FISCAL PROGRAMS		
Comptroller of Public Accounts - Fiscal Programs.		
<b>A.1.1. Strategy:</b> VOTER REGISTRATION	\$ 3,000,000	\$ 500,000
For payment to each county for the total number of voters registered in the county as shown by certified statement submitted by the Registrar to the Secretary of State, as required by Election Code, Section 19.002. For payment to counties for voter registration. Estimated.		
<b>A.1.2. Strategy:</b> MISCELLANEOUS CLAIMS	\$ 1,470,000	\$ 1,470,000
To complete the payment of state funds allocated for the Small Claims Program and for individuals wrongfully imprisoned by the State of Texas to entitled recipients in a timely manner pursuant to Government Code, Section 403.074.		
<b>A.1.3. Strategy:</b> REIMBURSEMENT- COMMITMENT HEARINGS	\$ 4,000	\$ UB
For reimbursement of counties for the cost of commitment hearings required by the Persons with Mental Retardation Act, Chapters 591 et. seq., Health and Safety Code.		
<b>A.1.4. Strategy:</b> REIMBURSE - BEVERAGE TAX	\$ 83,238,999	\$ 83,989,000
For reimbursement of taxes received as authorized by Tax Code, Section 183.051(b). Payments to each eligible county and incorporated municipality shall be equal to 10.7143 percent of receipts from permittees within the county or incorporated municipality during the quarter. Estimated.		
<b>A.1.5. Strategy:</b> TORT CLAIMS & FED. COURT JUDGMENTS	\$ 3,000,000	\$ UB
(1) Payments for settlements and judgments for claims against state agencies payable under Chapters 101 and 104, Civil Practice and Remedies Code, including indemnification for criminal prosecutions and Federal Court judgments and settlements shall be paid from special or local funds of the agency or institution to the extent available, and then from General Revenue. The Comptroller shall maintain records of General Revenue paid and require reimbursement from agencies as special or local funds become available. (2) Payments shall be made for eligible medical malpractice claims in conformance with Chapter 59, Education Code. (3) All claims shall be prepared, verified and signed by the Office of the Attorney General.		
<b>A.1.6. Strategy:</b> COUNTY TAXES - UNIVERSITY LANDS	\$ 1,250,000	\$ 1,250,000
For payment of taxes, for county purposes only, to counties in which are located endowment lands set aside to The University of Texas by the Constitution and the Act of 1883. Estimated.		

\*Modified by Article IX, Section 11.21 due to passage of House Bill 1365, regular session.



FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS  
(Continued)

<b>A.1.7. Strategy:</b> LATERAL ROAD FUND DISTRICT For allocation of payment to each county for construction and maintenance of county roads.	\$	7,300,000	\$	7,300,000
<b>A.1.8. Strategy:</b> UNCLAIMED PROPERTY To pay all legitimate claims for previously unclaimed property held by the state. Estimated.	\$	60,000,000	\$	60,000,000
<b>A.1.9. Strategy:</b> UNDERAGE TOBACCO PROGRAM For allocation of grants to local law enforcement agencies for enforcing provisions of Health and Safety Code, Chapter 161, related to reducing minor access to and consumption of tobacco products.	\$	1,500,000	\$	1,500,000
<b>A.1.10. Strategy:</b> RANGER PENSIONS To complete the payment of state funds allocated for the Ranger Pension Program to entitled recipients in a timely manner. The Comptroller is authorized to transfer sufficient cash into the Confederate Pension Fund from General Revenue to allow these payments.	\$	4,640	\$	4,640
<b>A.1.11. Strategy:</b> LOCAL CONTINUING EDUCATION GRANTS Allocate funds credited to the Law Enforcement Officer Standards and Education Account for grants to local law enforcement agencies to provide continuing education for licensed peace officers, as required by Section 1701.157, Occupation Code.	\$	6,000,000	\$	6,000,000
<b>A.1.12. Strategy:</b> ADVANCED TAX COMPLIANCE Developing, enhancing, maintaining, or expanding advanced database technology.	\$	7,659,775	\$	7,659,775
<b>A.1.13. Strategy:</b> EMISSIONS REDUCTION PLAN	\$	2,140,200	\$	2,182,800
<b>A.1.14. Strategy:</b> SUBSEQUENT CVC CLAIMS To pay victims of crime who have not made a claim for restitution during the prescribed five year period pursuant to Government Code, Section 76.013(d).	\$	30,000	\$	0
<b>Total, Goal A:</b> CPA - FISCAL PROGRAMS	\$	176,597,614	\$	171,856,215

**B. Goal:** ENERGY OFFICE  
To develop and administer cost-effective programs that promote energy efficiency, preserve the environment, and protect the public health and safety through grants, loans and public awareness.

<b>Outcome (Results/Impact):</b> Percent of ISDs Which Participate in SECO Local Government Energy Programs		17%		20%
<b>B.1.1. Strategy:</b> ENERGY OFFICE Promote and manage the LoanSTAR Program, contract services delivery, partnerships for improved energy education and energy efficient housing.	\$	2,015,683	\$	2,015,683
<b>Output (Volume):</b> Energy Dollars Saved by LoanSTAR Projects (In Millions)		12		15

**FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS**  
(Continued)

<b>B.1.2. Strategy:</b> OIL OVERCHARGE SETTLEMENT FUNDS	\$	43,862,103	\$	9,333,279
<b>Total, Goal B:</b> ENERGY OFFICE	\$	45,877,786	\$	11,348,962
<b>Grand Total, FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS</b>	\$	222,475,400	\$	183,205,177
<b>Method of Financing:</b>				
General Revenue Fund	\$	168,958,014	\$	164,204,015
<u>General Revenue Fund - Dedicated</u>				
Law Enforcement Officer Standards and Education Account No. 116		6,000,000		6,000,000
Compensation to Victims of Crime Auxiliary Account No. 494		30,000		0
Oil Overcharge Account No. 5005		44,421,765		9,892,941
Texas Emissions Reduction Plan Account No. 5071		2,140,200		2,182,800
Subtotal, General Revenue Fund - Dedicated	\$	52,591,965	\$	18,075,741
Federal Funds		925,421		925,421
<b>Total, Method of Financing</b>	\$	222,475,400	\$	183,205,177
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		25.0		25.0
<b>Object-of-Expense Informational Listing:</b>				
Salaries and Wages	\$	1,155,871	\$	1,155,871
Other Personnel Costs		32,760		32,760
Professional Fees and Services		6,785,515		6,785,515
Utilities		771,355		771,355
Travel		39,017		39,017
Rent - Building		880		880
Rent - Machine and Other		4,981		4,981
Other Operating Expense		64,710,934		61,676,934
Client Services		440,588		440,588
Grants		148,533,499		112,297,276
<b>Total, Object-of-Expense Informational Listing</b>	\$	222,475,400	\$	183,205,177

- 1. Appropriation from the Compensation to Victims of Crime Auxiliary Fund.** Included in amounts appropriated above in Strategy A.1.14, Subsequent CVC Claims, are estimated balances on hand and revenues received by the Comptroller from departments under Government Code § 76.013 (estimated to be \$30,000 for the biennium), for crime victims who have not made a claim for restitution during the prescribed five year period and who make a subsequent claim. The Comptroller shall pay a victim making such claim the amount of the original payment, less the collection fee, from the Compensation to Victims of Crime Auxiliary Fund No. 494 pursuant to Government Code § 76.013(d).
- 2. Appropriation, Payment of Miscellaneous Claims.** In addition to amounts appropriated above, the Comptroller of Public Accounts is hereby appropriated out of other special funds and accounts as appropriate, amounts necessary to pay small miscellaneous claims in accordance with and subject to the limitations of Strategy A.1.2, Miscellaneous Claims, above.
- 3. Appropriation, Payment of Tort Claims.** In addition to amounts appropriated above, the Comptroller of Public Accounts is hereby appropriated out of other special funds and accounts

## FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS (Continued)

as appropriate, amounts necessary to pay claims, judgments, and settlements in accordance with and subject to the limitations in Parts 1 and 3 of Strategy A.1.5, Tort Claims and Federal Court Judgments, above.

4. **Limitation, Payment of Tort Claims.** The expenditures authorized in Part 1 of Strategy A.1.5, Tort Claims and Federal Court Judgments Claims, are hereby limited to those claims identified in Part 1 where the settlement or judgement amount exceeds the amount authorized by Article IX, Judgments, of this Act to be paid out of appropriations made to the involved agency elsewhere in this Act. The limitation established by this provision shall not apply in those cases where the judgement order of the trial court was entered, or a settlement agreement was executed, prior to September 1, 1995.
5. **International Fuel Tax Agreement.** Out of amounts collected as a result of the administration of Chapter 153, Tax Code, the Comptroller shall determine the amounts due other jurisdictions as reflected by motor fuels reports and other information available pursuant to an International Fuel Tax Agreement or otherwise subject to refund. Such amounts are hereby appropriated and may be segregated as necessary for remittance to other jurisdictions and for refunds as provided by law. Fees and costs associated with an International Fuel Tax Agreement may be paid from the interest earnings on amounts due other jurisdictions or subject to refund. The Comptroller may estimate the amounts due other jurisdictions or subject to refund out of amounts collected as a result of the administration of Chapter 153, Tax Code, and may segregate such funds as necessary for administration of the agreement.
6. **Appropriation of Tax and Revenue Anticipation Note Fund.** There is hereby appropriated to the Comptroller of Public Accounts all money deposited in the tax and revenue anticipation note fund for the purposes of paying principal of, premium (if any), interest on, and costs of issuance relating to tax and revenue anticipation notes issued during the biennium. To the extent that money deposited into the tax and revenue anticipation note fund is insufficient to pay the principal of, premium (if any), interest on, and costs of issuance relating to notes, there is hereby appropriated to the Comptroller of Public Accounts from the General Revenue Fund amounts necessary for the full repayment of all principal of, premium (if any) and interest on any notes issued during the biennium.
7. **Advanced Tax Compliance and Debt Collections.** To the extent that the Comptroller contracts with persons or entities to provide information, services, or technology or expands and/or enhances the technology to aid in the advanced collections of debts, taxes, or other property due to or belonging to the State of Texas pursuant to Government Code, §§ 403.019, 403.0195 or Tax Code § 111.0035 or § 111.0036, all sums necessary to pay contract, maintenance, and other expenses connected with the collections, including any administrative costs of the Comptroller directly associated with the collections program are hereby appropriated to the Comptroller from collection proceeds. The balance of collection proceeds shall be transferred to the General Revenue Fund or to any dedicated or special funds or accounts to which the collection proceeds may belong.

Consistent with the Comptroller's role as the chief fiscal officer and tax collector for the state, it is the intent of the Legislature that all resulting collections and associated expenses be accounted for through the fiscal agency operations of the Comptroller's Office in a manner which reflects both the amounts of enhanced collections as well as the amount of expenses related to the increased deposits.

8. **Investment Fund Management.** Consistent with the Comptroller's responsibility for investing Tobacco Settlement funds and the Higher Education Fund, as much of the investment earnings as necessary up to a maximum of 50 basis points of the average fund balance for funds managed by external fund managers and 20 basis points for internally managed funds are hereby appropriated each year of the biennium to the fiscal agency operation of the Comptroller's

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS  
(Continued)

Office to pay the expenditures related to these investment activities. The total appropriated amount shall not exceed \$10 million per fiscal year of the biennium. The Comptroller shall prepare an annual report detailing the expenditures made in connection with each fund for investment activities.

9. **Oil Overcharge Settlement Funds.** Included in funds appropriated above to Strategy B.1.2, Oil Overcharge Settlement Funds, out of Oil Overcharge Account Number 5005, all funds allocated to the State of Texas through consent decrees, court decrees and administrative orders involving violation of the mandatory petroleum pricing and allocation regulations, including the interest earned on those used by the State Energy Conservation Office (SECO) for the biennium beginning September 1, 2003 (estimated to be \$18,221,856). Any unexpended balances as of August 31, 2003, of Oil Overcharge Funds are included in Strategy B.1.2, and are to be used by SECO for the biennium beginning September 1, 2003 (estimated to be \$34,973,526).

Of these estimated balances and revenues, the State Energy Conservation Office shall allocate an estimated total of \$1,425,000 over the biennium based on the designations listed below. SECO is granted the discretion to prorate Oil Overcharge funds based on these designations in the event that the total amount estimated by this allocation is not realized. The amounts below are hereby designated for the biennium beginning September 1, 2003, for the following purposes:

State Energy Conservation Office Programs:

	<u>2004</u>	<u>2005</u>
Schools/Local Government Program	\$112,500 & UB	\$125,000 & UB
State Agencies/Higher Education Program	\$112,500 & UB	\$125,000 & UB
Renewable Energy Program	\$112,500 & UB	\$125,000 & UB
Housing Partnership	\$112,500 & UB	\$125,000 & UB
Transportation Energy Program	\$112,500 & UB	\$125,000 & UB
Alternative Fuels Program	\$112,500 & UB	\$125,000 & UB

Funds de-obligated from contracts within the above programs shall remain within the program. State Energy Program Administration funds are appropriated in Strategy B.1.1, Energy Office.

Pursuant to Texas Government Code § 2305.032 (f), funds available to the Loan STAR Revolving Loan Program shall equal or exceed \$95,000,000 at all times. All unexpended LoanSTAR balances (estimated to be \$27,402,313 of total balances noted above) and all revenues, except depository interest earned on LoanSTAR balances, generated by funds in the LoanSTAR Program (estimated to be \$16,796,856 of total revenues noted above), shall remain in the program. It is the intent of the Legislature that if a state agency or institution of higher education is a recipient of a loan under the statewide retrofit demonstration and revolving loan program, the agency or institution shall repay the loan from agency funds budgeted for the energy costs of the agency or institution.

10. **Department of Energy (DOE) Federal Funds.** In addition to funds appropriated above for administration of the State Energy Conservation Office, all funds allocated to the State of Texas by the US Department of Energy to fund Pantex and State energy programs are detailed below for the biennium beginning September 1, 2003.

**FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS**  
(Continued)

The SECO shall allocate funds based upon the designations listed below:

	<u>FY 2004</u>	<u>FY 2005</u>
<u>Federal Funds: Pantex Programs</u>		
Agreement in Principle (Remedial Clean Up Action)	\$ 1,350,000 & UB	\$ 1,350,000 & UB
Waste Isolation Pilot Plant	\$ 412,000 & UB	\$ 390,000 & UB
<u>Federal Funds: State Energy Program</u>		
State Energy Program (SEP) Grant	\$ 1,959,717 & UB	\$ 1,959,717 & UB

11. **Appropriation of Tax Refunds.** As much of the respective taxes, fees, and charges, including penalties or other financial transactions administered or collected by the Comptroller as may be necessary is hereby appropriated and set aside to pay refunds, interest, and any costs and attorney fees awarded in court cases, as provided by law, subject to the following limitations and conditions:
- a. Unless another law, or section of this Act, provides a period within which a particular refund claim must be made, funds appropriated herein may not be used to pay a refund claim made under this section after four years from the latest date on which the amount collected or received by the State was due, if the amount was required to be paid on or before a particular date. If the amount was not required to be paid on or before a particular date, a refund claim may not be made after four years from the date the amount was collected or received. A person who fails to make a refund claim within the period provided by law, or this provision, shall not be eligible to receive payment of a refund under this provision.
  - b. As a specific limitation to the amount of refunds paid from funds appropriated in this Act during the 2004–05 biennium, the Comptroller shall not approve claims or issue warrants for refunds in excess of the amount of revenue estimated to be available from the tax, fee, or other revenue source during the biennium according to the Biennial Revenue Estimate of the Comptroller of Public Accounts used for certification of this Act. Any claim or portion of a claim which is in excess of the limitation established by this subsection “b” shall be presented to the next legislature for a specific appropriation in order for payment to be made. The limitation established by this subsection “b” shall not apply to any taxes or fees paid under protest.
  - c. None of the funds appropriated by this provision may be expended to pay a refund claim, a final judgement, or a settlement, including any statutory interest thereon or any costs and attorney fees awarded by court order, that is in excess of \$250,000. Any claim that is in excess of the limitation established by this subsection “c” shall be presented to the legislature for a specific appropriation in order for payment to be made.
  - d. None of the funds appropriated by this provision may be expended to pay a refund claim, a final judgment, or a settlement, including any statutory interest thereon or any costs and attorney fees awarded by court order, that would cause the aggregate amount paid to, or on behalf of, an individual or entity pursuant to this provision during the biennium beginning September 1, 2003, to exceed \$250,000. Any claim that is in excess of the limitation

**FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS**  
(Continued)

established by this subsection “d” shall be presented to the legislature for a specific appropriation in order for payment to be made.

- e. The limitations established by subsection “c” and subsection “d” do not apply to a payment made:
    - (1) on a final judgment in those cases where the judgment order of the trial court was entered prior to the effective date of this Act,
    - (2) on a settlement agreement executed prior to the effective date of this Act, or
    - (3) on a Comptroller’s final decision issued prior to the effective date of this Act.
  - f. For purposes of this provision, “final judgment” means a judgment rendered in a federal court or a court in this state for which an appeal or rehearing, or application therefor, is not pending and for which the time limitations for appeal or rehearing have expired. For the purposes of this provision, a Comptroller’s final decision means a decision of the Comptroller which is administratively final and for which limitations has expired for seeking rehearing or filing a lawsuit in court. For the purposes of this provision, a “settlement agreement” must be in writing and signed by the necessary parties. A settlement agreement shall be deemed to be “executed” on the date upon which the last signature of a necessary party is affixed thereon.
  - g. The payment of a settlement or final judgment may be made only with a complete release from any and all related claims and causes against the State, and in the case of a judgment, the payment may be made only in full satisfaction of that judgment.
  - h. Subsection “c” and subsection “d” shall not apply to a refund granted pursuant to an informal review under Section 111.1042 of the Tax Code, if that refund claim is filed with the Comptroller no later than 120 days after the original due date of the report for the period for which the refund is claimed.
  - i. This provision shall not apply to refunds of unclaimed property made pursuant to Title 6 of the Property Code.
  - j. Except pursuant to this provision, none of the funds appropriated by this Act may be expended to pay a refund of any tax, fee, penalty, charge, or other assessment collected or administered by the Comptroller or to pay a judgment, settlement, or administrative hearing decision, including any statutory interest thereon or any costs and attorney fees awarded by court order, relating to a refund of any tax, fee, penalty, charge or other assessment collected or administered by the Comptroller.
12. **Appropriation of Hotel/Motel Taxes.** In addition to amounts appropriated above, the Comptroller of Public Accounts is hereby appropriated out of hotel taxes collected under Chapter 156, Tax Code, amounts necessary to pay percentages to eligible coastal municipalities as calculated pursuant to §156.2511 and § 156.2512, Tax Code.

**INFORMATIONAL LISTING OF FUNDS APPROPRIATED TO THE  
COMPTROLLER FOR SOCIAL SECURITY CONTRIBUTIONS  
AND BENEFIT REPLACEMENT PAY\***

1. **Informational Listing of Appropriated Funds.** The appropriations made in this and other articles of this Act to the Comptroller of Public Accounts - Social Security/Benefit Replacement Pay are subject to the following provisions. The following amounts shall be used for the purposes indicated.

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A.Goal:</b> Social Security Contributions/Benefit Replacement Pay		
<b>A.1.1. Strategy:</b> State Match-Employer Provide an employer match for Social Security Contributions. Estimated.	\$ 584,775,451	\$ 592,713,119
<b>A.1.2. Strategy:</b> Benefit Replacement Pay Provide Benefit Replacement Pay to eligible Employees. Estimated.	71,667,689	68,012,636
<b>Total, Goal A:</b> Social Security Contributions/ Benefit Replacement Pay	\$ 656,443,140	\$ 660,725,755
<b>Method of Financing:</b>		
General Revenue, Estimated	\$ 417,499,093	\$ 418,734,085
General Revenue-Dedicated, Estimated	65,803,410	68,552,339
State Highway Fund No. 6, Estimated	73,568,752	73,566,543
Federal Funds, Estimated	90,252,436	90,443,992
Other Special State Funds, Estimated	<u>9,319,449</u>	<u>9,428,797</u>
<b>Total, Method of Financing</b>	\$ 656,443,140	\$ 660,725,755

2. **Transfer of Social Security Contributions and Benefit Replacement Pay.** Appropriations made in this and other articles of this Act for Social Security and Benefit Replacement Pay shall be transferred by each agency from the Comptroller of Public Accounts to the agency based on estimated amounts by funding source for each fiscal year. Transfers should be made no later than September 15<sup>th</sup> of the year in which the payments are to be made. Adjustments and return of excess appropriation authority to the Comptroller’s Office shall be completed by October 30<sup>th</sup> of the subsequent fiscal year.

\*Modified by Article II, Special Provisions Relating to All Health and Human Service Agencies, Section 28 (c)(e). Modified by Article IX, Section 12.02 due to passage of House Bill 3442, regular session.

COMMISSION ON STATE EMERGENCY COMMUNICATIONS\*

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: STATEWIDE 9-1-1 SERVICES</b>		
Planning, development, provision and enhancement of the effectiveness of 9-1-1 service.		
<b>Outcome (Results/Impact):</b>		
Percentage of Time Wireline ALI System is Operational	100%	100%
<b>A.1.1. Strategy: 9-1-1 EMERGENCY COMMUNICATIONS</b>	\$ 43,353,179	\$ 45,177,350
Contract with regional planning commissions (RPCs) for the efficient operation of the state 9-1-1 emergency telecommunication system.		
<b>Output (Volume):</b>		
Number of Public Safety Answering Points with Wireless Automatic Number Identification (ANI)	354	354
Number of 9-1-1 Calls Received by State Program Public Safety Answering Points (PSAPs)	4,955,966	5,055,085
<b>B. Goal: POISON CONTROL NETWORK</b>		
Maintain a high quality poison control network in Texas.		
<b>Outcome (Results/Impact):</b>		
Percentage of Time Poison Control Network is Operational	100%	100%
<b>B.1.1. Strategy: POISON CONTROL NETWORK</b>	\$ 7,355,198	\$ 7,355,197
Contract with the Department of Information Resources (DIR), Texas Department of Health (TDH), the six designated poison centers, and other service providers for operation and maintenance of the state poison control telecommunications system.		
<b>Output (Volume):</b>		
Total Number of Poison Control Calls Processed	255,200	255,200
<b>C. Goal: INDIRECT ADMINISTRATION</b>		
<b>C.1.1. Strategy: INDIRECT ADMINISTRATION</b>	\$ 199,828	\$ 199,828
<b>Grand Total, COMMISSION ON STATE EMERGENCY COMMUNICATIONS</b>		
	\$ 50,908,205	\$ 52,732,375

<b>Method of Financing:</b>		
GR Dedicated - Advisory Commission on Emergency Communications Account No. 5007		
	\$ 11,344,123	\$ 11,344,122
GR Dedicated - 911 Service Fees Account No. 5050		
	39,564,082	41,388,253
<b>Total, Method of Financing</b>	\$ 50,908,205	\$ 52,732,375

<b>Number of Full-Time-Equivalent Positions (FTE):</b>	25.0	25.0
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<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 2	\$75,000	\$75,000
Per Diem of Commission Members	4,300	4,300

<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 1,229,931	\$ 1,250,840
Other Personnel Costs	17,565	17,565
Professional Fees and Services	281,000	281,000
Consumable Supplies	10,750	10,750
Utilities	292,000	292,000
Travel	49,350	49,350
Rent - Building	4,800	4,800
Rent - Machine and Other	11,000	11,000

\*Modified by Article IX, Section 11.31.



**COMMISSION ON STATE EMERGENCY COMMUNICATIONS**  
(Continued)

Other Operating Expense	650,441	650,957
Grants	48,346,368	50,149,113
Capital Expenditures	15,000	15,000
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 50,908,205</b>	<b>\$ 52,732,375</b>

1. **Appropriation, 9-1-1 Service Fees Account.** Included in amounts appropriated above to Strategy A.1.1, 9-1-1 Emergency Communications, is \$39,564,082 in fiscal year 2004 and \$41,388,253 in fiscal year 2005 from General Revenue-Dedicated Account No. 5050, 9-1-1 Service Fees for payments to regional councils of government for 9-1-1 service contracts. It is the intent of the Legislature that before the Commission on State Emergency Communications makes a contract payment to a regional council of government from the 9-1-1 Service Fees Account for 9-1-1 service contracts, the Commission ensures that the regional council of government has spent all balances and interest earned from emergency service fees for landline and wireless telecommunication services billed prior to August 31, 1999 and held outside the State Treasury, and any unexpended balances in funds reserved to replace 9-1-1 capital equipment remaining after acquisition of equipment scheduled for replacement during the 2004–05 biennium.

In addition, the Comptroller of Public Accounts shall reduce the amounts appropriated above from the 9-1-1 Service Fees Account No. 5050 by the amount of any available balances in emergency service fees on August 31, 2003, including wireless service fees, held by the regional councils of government outside the State Treasury. The Commission on State Emergency Communications shall provide the Comptroller of Public Accounts with a report on local balances in emergency and wireless service fees, and funds reserved to replace 9-1-1 capital equipment for each regional council of government for fiscal years 2003 and 2004 within 60 days of the close of each fiscal year. The amount of local balances shall be determined using guidelines established by the State Auditor’s Office.

2. **Capital Replacement.** None of the funds appropriated above to Strategy A.1.1, 9-1-1 Emergency Communications, may be used to replace or fund a reserve for future replacement of 9-1-1 capital equipment. The Commission on State Emergency Communications shall develop and submit a 10-year capital replacement schedule to the Legislative Budget Board and the Governor’s Office not later than November 1, 2003.
3. **Councils of Government.** Included in amounts appropriated above in Strategy A.1.1, 9-1-1 Emergency Communications is \$15,000,000 for the biennium to be distributed to the regional councils of government for administration of the statewide 9-1-1 program. It is the intent of the Legislature that during the 2004-05 biennium no more than \$15,000,000 be allocated to the regional councils of government for administration of the statewide 9-1-1 program. Each regional council of government shall submit a Historically Underutilized Business (HUB) plan, pursuant to Chapter 2161 of the Government Code, with its application.
4. **Acquisition of Poison Control Center Wide Area Network.** It is the intent of the Legislature that the Commission on State Emergency Communications actively seeks federal grant funds to implement a data-based, wide area network linking together the state’s six poison control centers in order to share patient exposure and treatment information. Further, it is the intent of the Legislature that acquisition of the wide area network be made in compliance with provisions established by Article IX, § 6.17, Limitation on Expenditures-Capital Budget, and Article IX, § 9.01, Purchases of Information Resource Technologies and Article IX, § 9.02, Quality Assurance Review of Major Information Resource Projects, if applicable.

EMPLOYEES RETIREMENT SYSTEM\*

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>Out of the General Revenue Fund:</b>		
<b>A. Goal:</b> ADMINISTER RETIREMENT PROGRAM		
To administer comprehensive and actuarially sound retirement programs.		
<b>A.1.1. Strategy:</b> RETIREE DEATH BENEFITS	\$ 6,508,651	\$ 6,556,164
Provide lump-sum retiree death benefits under § 814.501, Government Code. Estimated.		
<b>Grand Total, EMPLOYEES RETIREMENT SYSTEM</b>	<b>\$ 6,508,651</b>	<b>\$ 6,556,164</b>
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		
	305.0	305.0
<b>Object-of-Expense Informational Listing:</b>		
Client Services	\$ 6,508,651	\$ 6,556,164
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 6,508,651</b>	<b>\$ 6,556,164</b>

1. **Information Listing of Appropriated Funds.** The appropriations made in this and other articles of this Act to the Employees Retirement System are subject to the following provisions. The following amounts shall be used for the purposes indicated.

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal:</b> ADMINISTER RETIREMENT PROGRAM		
To administer comprehensive and actuarially sound retirement programs.		
<b>Outcome (Results/Impact):</b>		
Percent of ERS Retirees Expressing Satisfaction with Member Benefit Services	97%	97%
<b>A.1.1. Strategy:</b> ERS RETIREMENT		
Provide an actuarially sound level of retirement funding as defined by state law. Estimated.	\$ 300,103,648	\$ 303,103,260
<b>Output (Volume):</b>		
Number of Member Accounts Maintained	203,354	205,387
<b>Efficiencies:</b>		
Average Number of Days to Provide ERS Retirement Packets	4.5	4.5
<b>A.1.2. Strategy:</b> JUDICIAL RETIREMENT SYSTEM - PLAN 2		
Maintain an actuarially sound retirement program for state judicial officers. Estimated	\$ 8,472,474	\$ 8,797,681
<b>A.1.3. Strategy:</b> JUDICIAL RETIREMENT SYSTEM - PLAN 1		
Provide for the payment of JRS-1 benefits and membership refunds as required by law. Estimated.	\$ 22,638,168	\$ 22,998,459
<b>A.1.4. Strategy:</b> PUBLIC SAFETY BENEFITS		
Administer the payment of benefits to beneficiaries of certain law enforcement officers, firefighters, and emergency medical technicians killed in the line of duty as required by Chapter 615, Government Code. Estimated.	\$ 5,479,902	\$ 5,479,902

\*Modified by Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 28 (c)(e). Modified by Article IX, Section 11.60 due to passage of House Bill 2359, regular session. Modified by Article IX, Section 12.02 due to passage of House Bill 3442, regular session. Modified by Article IX, Section 12.05 due to passage of Senate Bill 1173, regular session.

**EMPLOYEES RETIREMENT SYSTEM**  
(Continued)

<b>A.1.5. Strategy: RETIREE DEATH BENEFITS</b>		
Provide lump-sum death benefits under § 814.501, Government Code. Estimated.		
	\$ 6,508,651	\$ 6,556,164
<b>Total, Goal A: ADMINISTER RETIREMENT PROGRAM</b>		
	<u>\$ 343,202,843</u>	<u>\$ 346,935,466</u>
<b>B. Goal: PROVIDE HEALTH PROGRAM</b>		
To provide employees, retirees, and dependents with a comprehensive, quality health program.		
<b>Outcome (Results/Impact):</b>		
Percent of HealthSelect Participants Satisfied with Network Services	70%	70%
<b>B.1.1. Strategy: UGIP - GENERAL STATE EMPLOYEES</b>		
Provide a basic health care and life insurance program for general state employees, retirees, and their dependents. Estimated		
	<u>\$ 853,886,413</u>	<u>\$ 864,946,219</u>
<b>Efficiencies:</b>		
Percent of Claims Processed within Thirty Days	98%	98%
Total Cost Paid per HealthSelect Member for Administration and Claims Processing	\$ 23.30	\$ 24.00
<b>Grand Total, EMPLOYEES RETIREMENT SYSTEM</b>		
	<u><u>\$ 1,197,089,256</u></u>	<u><u>\$ 1,211,881,685</u></u>
<b>Method of Financing:</b>		
General Revenue Fund, estimated	\$ 691,498,494	\$ 699,141,835
General Revenue Fund - Dedicated, estimated	59,758,124	60,303,764
State Highway Fund No. 006, estimated	206,027,962	209,194,978
Federal Funds, estimated	233,369,475	236,771,201
Other Special State Funds, estimated	<u>6,435,201</u>	<u>6,469,907</u>
<b>Total, Method of Financing</b>	<u><u>\$ 1,197,089,256</u></u>	<u><u>\$ 1,211,881,685</u></u>
<b>Number of Full-Time Equivalent Positions (FTE):</b>	305.0	305.0
<b>Schedule of Exempt Positions:</b>		
Executive Director	\$ 180,000	\$ 180,000
 2. <b>Updated Actuarial Valuation.</b> The Employees Retirement System shall contract with an actuary to perform a limited actuarial valuation of the assets and liabilities of the Employees Retirement System as of February 28 in those years when the Legislature meets in regular session. The purpose of the valuation shall be to determine the effect of investment, salary, and payroll experience on the unfunded liability, the amortization period, and the state contribution rate which results in a 30-year amortization period of the Retirement System.		
 3. <b>State Contribution to Employees Retirement Program.</b> The amount specified above in A.1.1, ERS - Retirement, is based on a state contribution of 6.0 percent of payroll, including annual membership fees of \$3 for contributing members for each fiscal year.		
 4. <b>State Contribution to Judicial Retirement Program (JRS-2).</b> The amount specified above in A.1.2, Judicial Retirement System - Plan 2, is based on a state contribution of 16.83 percent of payroll for contributing members for each fiscal year.		
 5. <b>State Contribution to Group Insurance for General State Employees.</b> Funds identified above for group insurance are intended to fund:		
a. the total cost of the basic life and health coverage for all active and retired employees;		

## EMPLOYEES RETIREMENT SYSTEM (Continued)

- b. fifty percent of the total cost of health coverage for the spouses and dependent children of all active and retired employees who enroll in coverage categories which include a spouse and/or dependent children; and
- c. the additional cost of providing a premium structure comparable to the Children's Health Insurance Program (CHIP) for dependent children of state employees enrolled in the State Kids Insurance Program (SKIP).

In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

During each fiscal year, the state's monthly contribution shall be determined by multiplying ( 1) the per capita monthly contribution as certified herein by (2) the total number of full-time active and retired employees enrolled for coverage during that month.

Each year, upon adoption of group insurance rates by the Board of Trustees, Employees Retirement System must notify the Comptroller, the Legislative Budget Board, and the Governor of the per capita monthly contribution required in accordance with this rider for each full-time active and retired employee enrolled for coverage during the fiscal year.

It is the intent of the Legislature that the Employees Retirement System control the cost of the group insurance program by not providing rate increases to health care providers participating in HealthSelect during the 2004-05 biennium.

In order to fund the Employees Retirement System (ERS) projected health plan costs for the 2004-05 biennium, the Legislature directs the Employees Retirement System to reduce total health plan costs by \$485.5 million in All Funds and \$296.1 million in General Revenue through benefit design changes made by the Employees Retirement System based on the Legislature's medical cost trend assumption of 9.75 percent per year. Benefit design changes will include an option allowing participants to choose retail pharmacies for maintenance medications with the participant paying the additional cost. It is the intent of the Legislature that the Employees Retirement System achieve this reduction, to the extent possible, with the least impact on participants. If more aggressive provider contracting and other cost-effective management practices result in the actual costs of the program being less than projected for the 2004-05 biennium, the Employees Retirement System should consider restoring health program benefit reductions to the extent possible.

- 6. **Administrative Cost Provision.** Funds identified above in A.1.3, Judicial Retirement System - Plan 1, include \$120,000 in each fiscal year to reimburse the Employees Retirement System for the cost of administering the Judicial Retirement Plan 1.
- 7. **Administrative Cost Provision.** Funds identified above in A.1.4, Public Safety Benefits, include \$28,000 in each fiscal year to reimburse the Employees Retirement System for the cost of administering the death benefits program for public safety personnel.
- 8. **Excess Benefit Arrangement Account.** There is hereby appropriated to the Employees Retirement System all funds transferred or deposited into the Excess Benefit Arrangement Account established in the General Revenue Fund for the purpose of paying benefits as authorized by Government Code § 815.5072.
- 9. **Transfer of Retirement Contributions and Group Insurance.** Appropriations made in this and other articles of this Act for Retirement and Group Insurance contributions shall be transferred by each agency from the Employees Retirement System to the agency based on estimated amounts by

EMPLOYEES RETIREMENT SYSTEM  
(Continued)

funding source for each fiscal year. Transfers should be made no later than September 15 of the year in which the payments are to be made. Adjustments and return of excess appropriation authority to the Employees Retirement System shall be completed by October 30 of the subsequent fiscal year.

TEXAS ETHICS COMMISSION

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: INFORMATION ON GOVERNMENT</b>		
To increase the public’s ability to access information about public officials, candidates for public office, and persons attempting to influence public officials and to assist people in understanding their responsibilities under the laws administered by the Commission, thereby enhancing the potential for individual participation in government.		
<b>Outcome (Results/Impact):</b>		
Percent of Advisory Opinion Requests Answered by Commission within 90 Working Days of Receipt	98%	98%
<b>A.1.1. Strategy: INFORMATION FILING</b>	\$ 403,786	\$ 403,786
Serve as the repository for information required to be filed with the Commission and assist persons in accessing that information.		
<b>Output (Volume):</b>		
Number of Reports Logged within Two Working Days of Receipt	24,000	24,000
<b>A.1.2. Strategy: ADVISORY OPINIONS</b>	\$ 240,766	\$ 240,766
Aid the public and those subject to the laws administered and enforced by the Commission in complying with and understanding those laws by responding quickly, accurately, and impartially to advisory opinion requests.		
<b>Efficiencies:</b>		
Average Time (Working Days) to Answer Advisory Opinion Requests	90	90
<b>A.1.3. Strategy: ENFORCEMENT</b>	\$ 364,706	\$ 364,706
Enforce compliance with laws administered by the Ethics Commission by responding quickly and impartially to sworn complaints, by performing investigations where advisable, and by assessing penalties for late reports.		
<b>Output (Volume):</b>		
Number of Sworn Complaints Processed	120	120
<b>Efficiencies:</b>		
Average Time (Working Days) to Respond to Sworn Complaints	7	7
<b>A.2.1. Strategy: ETHICS EDUCATION PROGRAM</b>	\$ 38,404	\$ 38,404
To educate the public, state employees and those subject to the laws administered and enforced by the Commission by responding to requests for information about the application of ethics laws, by making public presentations, by prescribing clear reporting forms and guidelines, and by making educational materials broadly available.		
<b>Total, Goal A: INFORMATION ON GOVERNMENT</b>	\$ 1,047,662	\$ 1,047,662

TEXAS ETHICS COMMISSION  
(Continued)

<b>B. Goal:</b> INDIRECT ADMINISTRATION			
<b>B.1.1. Strategy:</b> INDIRECT ADMINISTRATION	\$	722,894	\$ 722,894
<b>Grand Total, TEXAS ETHICS COMMISSION</b>	<u>\$</u>	<u>1,770,556</u>	<u>\$ 1,770,556</u>
<b>Method of Financing:</b>			
General Revenue Fund	\$	1,745,556	\$ 1,745,556
Appropriated Receipts		25,000	25,000
<b>Total, Method of Financing</b>	<u>\$</u>	<u>1,770,556</u>	<u>\$ 1,770,556</u>
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		35.0	35.0
<b>Schedule of Exempt Positions:</b>			
Executive Director, Group 3		\$97,000	\$97,000
General Counsel		88,000	88,000
<b>Object-of-Expense Informational Listing:</b>			
Salaries and Wages	\$	1,557,596	\$ 1,557,596
Other Personnel Costs		21,600	21,600
Consumable Supplies		10,700	10,700
Utilities		34,000	34,000
Travel		12,000	12,000
Rent - Building		5,300	5,300
Rent - Machine and Other		32,222	32,222
Other Operating Expense		97,138	97,138
<b>Total, Object-of-Expense Informational Listing</b>	<u>\$</u>	<u>1,770,556</u>	<u>\$ 1,770,556</u>

PUBLIC FINANCE AUTHORITY\*

		For the Years Ending	
		August 31,	August 31,
		2004	2005
		<u></u>	<u></u>
<b>A. Goal:</b> FINANCE CAPITAL PROJECTS			
To provide financing for capital projects and equipment, as authorized by the Legislature, for client agencies to assist them in meeting their goals while ensuring those issuances are accomplished cost effectively and the resulting obligations are monitored and managed in the most efficient manner possible.			
<b>A.1.1. Strategy:</b> PROCESS AND REVIEW APPLICATIONS	\$	382,245	\$ 382,188 & UB
Process and review applications for debt financing submitted by client agencies and maintain cost control for cost-effective issuance.			
<b>Output (Volume):</b>			
Number of Requests for Financing Approved		10	3
<b>A.2.1. Strategy:</b> MANAGE BOND PROCEEDS	\$	385,698	\$ 385,612 & UB
Manage bond proceeds and monitor covenants to ensure compliance.			

\*Modified by Article IX, Section 11.44.

**PUBLIC FINANCE AUTHORITY**  
(Continued)

<b>Output (Volume):</b>		
Number of Financial Transactions Including Debt Service Payments	4,000	4,000
<b>Total, Goal A: FINANCE CAPITAL PROJECTS</b>	<b>\$ 767,943</b>	<b>\$ 767,800</b>
<b>Grand Total, PUBLIC FINANCE AUTHORITY</b>	<b>\$ 767,943</b>	<b>\$ 767,800</b>

<b>Method of Financing:</b>		
General Revenue Fund	\$ 505,080	\$ 505,080
Appropriated Receipts	262,863	262,720
<b>Total, Method of Financing</b>	<b>\$ 767,943</b>	<b>\$ 767,800</b>

<b>Number of Full-Time-Equivalent Positions (FTE):</b>	15.0	15.0
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<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 4	\$95,000	\$95,000

<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 679,457	\$ 679,456
Other Personnel Costs	12,300	12,500
Professional Fees and Services	28,002	27,752
Consumable Supplies	3,340	3,340
Utilities	130	130
Travel	19,320	19,320
Rent - Building	200	200
Rent - Machine and Other	3,451	3,451
Other Operating Expense	21,743	21,651
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 767,943</b>	<b>\$ 767,800</b>

1. **Information Listing of Appropriated Funds.** The appropriations made in this and other Articles of this Act to the Texas Public Finance Authority for General Obligation Bond Debt Service are subject to the following provision. The following amounts shall be used for the purpose indicated.

	For the Years Ending	
	August 31, <u>2004</u>	August 31, <u>2005</u>
Strategy A.2.2. Bond Debt Service	\$ 205,276,716	\$ 264,791,255 & UB
<b>Method of Financing:</b>		
General Revenue	\$ 197,993,439	\$ 257,603,296
Federal Funds	2,362,984	2,361,154
<u>Other Funds</u>		
Current Fund Balance	4,466,443	4,372,715
MHMR Patient Collections	232,081	232,290
MHMR Appropriated Receipts	32,767	32,786
MHMR Medicare Receipts	<u>189,002</u>	<u>189,014</u>
Subtotal, Other Funds	4,920,293	4,826,805

**PUBLIC FINANCE AUTHORITY**  
(Continued)

Total, Method of Financing

Bond Debt Service	\$ 205,276,716	\$ 264,791,255 & UB
	<u>                    </u>	<u>                    </u>

2. **Appropriation and Transfer Authority of Interest and Sinking Funds for General Obligation Bond Debt Service Payments.** Prior to the expenditure of funds appropriated out of the General Revenue Fund to pay debt service on general obligation bonds, the Public Finance Authority shall utilize any balances available in interest and sinking funds for said purpose. The Authority is hereby appropriated all amounts available in interest and sinking funds, including any unexpended balances in these funds for the purpose of paying debt service on general obligation bonds.

In compliance with the bond resolutions and funds management agreements between the Texas Public Finance Authority and the Comptroller of Public Accounts, the Texas Public Finance Authority is hereby authorized to transfer funds, appropriated for bond debt service, into the appropriate interest and sinking funds in amounts as necessary for the payment of principal and interest due on general obligation bonds. Such transfers shall be made no sooner than the day that bond debt service is required to be delivered in accordance with the bond resolutions and funds management agreements. The Texas Public Finance Authority is also authorized to transfer funds appropriated for general obligation bond debt service to the interest and sinking fund(s) to pay ongoing costs associated with the General Obligation Commercial Paper Program.

3. **Appropriation and Transfer Authority for Revenue Bond Lease Payments.** Balances in and revenues accruing to the State Lease Fund Account and the Texas Public Finance Authority revenue bond interest and sinking fund(s) are hereby appropriated to the Texas Public Finance Authority for bond servicing costs on revenue bonds. Bond servicing costs shall include such costs as debt service payments, insurance premiums, paying agent fees, and other costs associated with the outstanding bonds.

The Texas Public Finance Authority is hereby authorized to transfer such amounts as necessary for the payment of bond servicing costs from the State Lease Fund Account to the Texas Public Finance Authority interest and sinking fund(s) or other debt service funds.

4. **Appropriation and Transfer Authority for Master Lease Purchase Program Payments and Administrative Fees.** The Texas Public Finance Authority is hereby appropriated balances held in and revenues accruing to the State Lease Fund Account and Texas Public Finance Authority Master Lease Purchase Program interest and sinking fund(s) for the purpose of making debt service and other payments in accordance with applicable laws, rules and covenants pertaining to the Master Lease Purchase Program. Unexpended balances in and revenues accruing to the Texas Public Finance Authority Master Lease Purchase Program funds and cost of issuance fund(s) in excess of those appropriated in the Method of Financing are hereby appropriated to the Texas Public Finance Authority for administrative costs in operating the Master Lease Purchase Program.

The Texas Public Finance Authority is hereby authorized to transfer each agency's share of administrative fees and lease payments pursuant to the Master Lease Purchase Program from each agency's appropriations made elsewhere in this Act to the Texas Public Finance Authority Master Lease Purchase Program cost of issuance fund(s) and the State Lease Fund Account, respectively. Transfers for administrative fees and lease payments shall not be made earlier than fifteen days prior to the date that the debt service payment is required. The Texas Public Finance Authority may transfer funds necessary for Master Lease Purchase Program debt service payments from the State Lease Fund Account to the Texas Public Finance Authority



**PUBLIC FINANCE AUTHORITY**  
(Continued)

Master Lease Purchase Program interest and sinking fund(s).

5. **Appropriation and Transfer Authority for Unexpended Balances in Bond Related Funds.** The Texas Public Finance Authority is hereby authorized to transfer all unexpended bond fund balances forward to the following fiscal year. Balances in and revenues accruing in these bond related funds are hereby appropriated to the Texas Public Finance Authority and may be transferred to the current fiscal year or prior fiscal years in order to make bond related payments and transfers in accordance with bond resolutions. Bond funds include but are not limited to: construction (project) funds; acquisition funds; cost of issuance funds; rebate funds; capitalized interest funds; and restoration funds.
6. **Appropriation and Transfer Authority.** Appropriations to all agencies on whose behalf the Texas Public Finance Authority has, or will issue bonds, notes or other obligations are hereby authorized to be transferred to the Texas Public Finance Authority to the funds prescribed by the bond documents for payment of debt service. The monies so transferred are hereby appropriated to the Texas Public Finance Authority for payment of principal and interest on the bonds, notes or other obligations.
7. **Contingency Funding for Agency Operations: Additional Bond Issues.** In the event that the performance measure set forth above, Number of Requests for Financings Approved, is exceeded by 30 percent in either fiscal year 2004 or 2005, the Texas Public Finance Authority is hereby appropriated an additional amount not to exceed 20 percent of that year's appropriation made above to recover costs related to bond issuance for each fiscal year. Any additional appropriations made herein shall be applied equally to Strategy A.1.1, Process and Review Applications, and Strategy A.2.1, Manage Bond Proceeds. All appropriations made herein shall be out of the administrative fees collected from the participants in the Master Lease Purchase Program or reimbursements from state agencies; comply with the provisions of Chapters 1232 and 401 of the Texas Government Code, and any applicable bond covenants; and comply with any restrictions on reimbursements or expenditures contained in Article IX of this Act.

**FIRE FIGHTERS' PENSION COMMISSIONER**

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: SOUND PENSION FUNDS</b>		
To ensure that pension funds for emergency services personnel are actuarially sound and that their members receive the benefits to which they are entitled.		
<b>Outcome (Results/Impact):</b>		
Period to Amortize the Unfunded Actuarial Accrued Liability	40	40
<b>A.1.1. Strategy: ADMINISTER PENSION FUND</b>	\$ 330,543	\$ 337,350
Administer a pension fund for emergency services personnel by receiving contributions from governing entities; investing surplus funds; servicing member database; and providing services and benefit payments to members and their dependents.		
<b>Output (Volume):</b>		
Number of Retirement Payments Distributed	27,202	28,005
<b>Efficiencies:</b>		
Average Annual Administrative Cost Per Pension Plan Member	80	75
<b>A.2.1. Strategy: ASSISTANCE &amp; EDUCATION</b>	\$ 147,286	\$ 147,286
Reconcile annual reports, confirm benefit		

**FIRE FIGHTERS' PENSION COMMISSIONER**  
(Continued)

determinations and refunds of contributions;  
interpret governing statutes and provide  
technical assistance; conduct educational  
seminars for pension board members and fund  
administrators; and distribute educational  
materials.

**Output (Volume):**

Number of Benefit Determinations for Local Funds	250	250
Number of Continuing Education Units Issued	1,000	1,000

**Efficiencies:**

Average Time (Days) to Respond to Inquiries from Local Board Members	1	1
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<b>Total, Goal A: SOUND PENSION FUNDS</b>	<b>\$</b>	<b>477,829</b>	<b>\$</b>	<b>484,636</b>
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<b>Grand Total, FIRE FIGHTERS' PENSION COMMISSIONER</b>	<b>\$</b>	<b>477,829</b>	<b>\$</b>	<b>484,636</b>
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**Method of Financing:**

General Revenue Fund	\$	112,286	\$	112,286
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Other Funds

Appropriated Receipts		35,000		35,000
Statewide Emergency Services Personnel Retirement Trust Fund No. 976		330,543		337,350

Subtotal, Other Funds	\$	365,543	\$	372,350
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<b>Total, Method of Financing</b>	<b>\$</b>	<b>477,829</b>	<b>\$</b>	<b>484,636</b>
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<b>Number of Full-Time-Equivalent Positions (FTE):</b>		8.5		8.5
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**Schedule of Exempt Positions:**

Commissioner, Group 1		\$57,000		\$57,000
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**Object-of-Expense Informational Listing:**

Salaries and Wages	\$	344,461	\$	350,127
Other Personnel Costs		4,300		5,000
Professional Fees and Services		56,500		57,500
Consumable Supplies		14,856		13,559
Travel		8,250		8,000
Rent - Machine and Other		22,750		23,250
Other Operating Expense		26,712		27,200

<b>Total, Object-of-Expense Informational Listing</b>	<b>\$</b>	<b>477,829</b>	<b>\$</b>	<b>484,636</b>
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OFFICE OF THE GOVERNOR

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: GOVERN THE STATE</b>		
Formulation of balanced state policies.		
<b>A.1.1. Strategy:</b> SUPPORT GOVERNOR & STATE Provide support to Governor and state agencies.	\$ 4,593,873	\$ 4,552,071
<b>A.1.2. Strategy:</b> APPOINTMENTS Develop and maintain system of recruiting, screening, and training.	\$ 810,773	\$ 818,774
<b>A.1.3. Strategy:</b> COMMUNICATIONS Maintain open, active and comprehensive communications, scheduling and correspondence functions.	\$ 2,648,356	\$ 2,672,462
<b>A.1.4. Strategy:</b> GOVERNOR'S MANSION Maintain and preserve Governor's Mansion.	\$ 209,692	\$ 219,388
<b>Total, Goal A: GOVERN THE STATE</b>	\$ 8,262,694	\$ 8,262,695
<b>Grand Total, OFFICE OF THE GOVERNOR</b>	\$ 8,262,694	\$ 8,262,695
<b>Method of Financing:</b>		
General Revenue Fund	\$ 7,909,694	\$ 7,909,695
<u>Other Funds</u>		
Appropriated Receipts	5,500	5,500
Interagency Contracts	347,500	347,500
Subtotal, Other Funds	\$ 353,000	\$ 353,000
<b>Total, Method of Financing</b>	\$ 8,262,694	\$ 8,262,695
<b>Number of Full-Time-Equivalent Positions (FTE):</b>	137.4	137.4
<b>Schedule of Exempt Positions:</b>		
Governor, Group 5	\$115,345	\$115,345
<b>Supplemental Appropriations Made in Riders:</b>	\$ 850,000	\$ 0
<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 7,721,000	\$ 7,041,396
Other Personnel Costs	83,493	88,312
Operating Costs	170,000	0
Professional Fees and Services	171,676	170,410
Fuels and Lubricants	380	377
Consumable Supplies	66,846	77,496
Utilities	51,681	51,542
Travel	116,077	97,816
Rent - Building	33,335	33,074
Rent - Machine and Other	115,043	119,773

OFFICE OF THE GOVERNOR  
(Continued)

Other Operating Expense	575,553	574,949
Capital Expenditures	7,610	7,550
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 9,112,694</b>	<b>\$ 8,262,695</b>

- 1. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2004, in the appropriations made herein to the Office of the Governor are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2004.
- 2. **Designation of Exempt Positions.** Pursuant to the provisions of this Act and other state and federal legislation, and notwithstanding restrictions in this Act relative to the authority of the Governor to exempt positions from the Position Classification Act of 1961, the Governor may designate the title and compensation rate of exempt positions to be used by the Office of the Governor.
- 3. **Governor's Salary.** The salary provided by this Act for the Governor is an annual salary and is not reduced during the Governor's absence from the state.
- 4. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Office of the Governor is hereby authorized to direct agency resources, and transfer such amounts appropriated above between appropriation items. The Governor may transfer appropriations and FTEs within the Office of the Governor and for Truusted Programs, and may assign appropriations and the corresponding FTEs for Truusted Programs to other agencies.
- 5. **Unexpended Balances Between Biennia.** Any unexpended balances as of August 31, 2003 in appropriations made to the Office of the Governor, including appropriations for Truusted Programs, are appropriated for the same purpose for the biennium beginning September 1, 2003.
- 6. **Capital Expenditures Authorized.** Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in this Act, the Office of the Governor is hereby authorized to expend funds appropriated to the Office of the Governor, and the Truusted Programs within the Office of the Governor for the acquisition of capital budget items.
- 7. **Development of Spaceport Plan.** It is the intent of the Legislature that the Office of the Governor outline a plan to develop a reusable launch facility or Spaceport. The plan shall be in place by January 1, 2004.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR\*

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: PROGRAMS ASSIGNED</b>		
Administer programs assigned to the Governor.		
<b>Outcome (Results/Impact):</b>		
Percentage of CJD Grants Complying with CJD Guidelines	98%	98%
Estimated Production Budgets of Films and Television		
Projects Made in Texas (in Millions)	270	270
Percent of Offenders Re-adjudicated/Convicted - Project		
Spotlight	8%	8%

\*Modified due to passage of Senate Bill 1771 and House Bill 7, regular session, which create the Texas Enterprise Fund and appropriate \$285,000,000 out of the Economic Stabilization Fund as reflected in Article VII, page VII-2-A, of this Act. Also modified by Senate Bill 275, regular session, and Article IX, Sections 11.40 and 11.44.

**TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR**  
(Continued)

<b>A.1.1. Strategy:</b> AGENCY GRANT ASSISTANCE Provide emergency and deficiency grants to state agencies.	\$	4,500,000	\$	2,539,871
<b>A.1.2. Strategy:</b> DISASTER FUNDS Provide disaster funding.	\$	7,000,000	\$	UB
<b>A.1.3. Strategy:</b> CRIMINAL JUSTICE Research, provide seed money to, and to promote replication of measurably successful programs in criminal justice.	\$	131,048,295	\$	130,568,465
<b>Output (Volume):</b> Number of Grants Currently Operating		1,000		1,000
<b>A.1.4. Strategy:</b> FILM AND MUSIC MARKETING Market Texas as a film location and promote the Texas music industry.	\$	838,253	\$	838,254
<b>Output (Volume):</b> Number of Individuals and Companies Assisted by Texas Music Office		14,000		14,000
<b>A.1.5. Strategy:</b> DISABILITY ISSUES Inform organizations and general public of disabilities issues.	\$	334,411	\$	334,409
<b>Output (Volume):</b> Number of Local Volunteer Committees on People with Disabilities and Communities Supported		54		54
<b>A.1.6. Strategy:</b> WOMEN'S GROUPS Network statewide women's groups in Texas.	\$	85,466	\$	85,464
<b>A.1.7. Strategy:</b> COUNTY ESSENTIAL SERVICE GRANTS Provide financial assistance to counties for essential public services.	\$	500,000	\$	500,000
<b>Total, Goal A: PROGRAMS ASSIGNED</b>	\$	144,306,425	\$	134,866,463
<b>Grand Total, TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR</b>	\$	144,306,425	\$	134,866,463
<b>Method of Financing:</b>				
<u>General Revenue Fund</u>	\$	14,508,950	\$	5,548,818
Earned Federal Funds		975,000		975,000
Subtotal, General Revenue Fund	\$	15,483,950	\$	6,523,818
<u>General Revenue Fund - Dedicated</u>				
Crime Stoppers Assistance Account No. 5012	\$	500,000	\$	500,000
Criminal Justice Planning Account No. 421		27,000,000		27,000,000
Subtotal, General Revenue Fund - Dedicated	\$	27,500,000	\$	27,500,000
<u>Federal Funds</u>	\$	101,245,475	\$	100,765,645
<u>Other Funds</u>				
Appropriated Receipts	\$	77,000	\$	77,000
<b>Total, Method of Financing</b>	\$	144,306,425	\$	134,866,463
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		60.6		60.6
<b>Object-of-Expense Informational Listing:</b>				
Salaries and Wages	\$	2,640,449	\$	2,644,466
Other Personnel Costs		352,692		352,739
Professional Fees and Services		4,992,641		4,992,842
Fuels and Lubricants		120		122
Consumable Supplies		40,218		40,275
Utilities		26,594		26,628
Travel		153,819		153,361

# TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR

(Continued)

Rent - Building	10,466	10,726
Rent - Machine and Other	83,006	82,884
Other Operating Expense	466,832	462,776
Grants	133,535,951	126,095,992
Capital Expenditures	3,637	3,652

**Total, Object-of-Expense Informational Listing** \$ 144,306,425 \$ 134,866,463

- Emergency and Deficiency Grants.** Included in amounts appropriated above are any unexpended balances not to exceed \$2,539,871 as of August 31, 2003, in emergency and deficiency grants made in Senate Bill 1, Seventy-seventh Legislature, Regular Session, for the biennium beginning September 1, 2003. The purposes of these appropriations are for payments of claims arising prior to the convening of the next legislature by the Governor in accordance with § 403.075, Government Code, for emergency use in accordance with §§ 401.061–401.065, Government Code, grants-in-aid in case of disasters, and for other purposes needed in the operations of state departments and agencies, including legal defense of officials and employees. Upon certification by the Governor that an emergency exists within the scope of the above-cited provisions in an agency funded out of special funds, there are hereby appropriated amounts necessary from special funds to meet the deficiency, emergency or disaster. The Comptroller of Public Accounts shall transfer from the special fund to the necessary appropriation account the amount certified as necessary to meet the deficiency, emergency or disaster. Transfers made under this provision shall be made only when sufficient balances over appropriated amounts exist in the special fund. The Governor may, according to the terms of the deficiency, emergency or disaster award, require the agency to repay all or part of the award. The repayment may be accomplished by purchase voucher, journal entry, or other procedures established by the Governor's Office with the concurrence of the Comptroller of Public Accounts.
- Appropriation of Earned Federal Funds.** Included in the amounts appropriated above in Strategy A.1.3, Criminal Justice, are any unexpended balances remaining as of August 31, 2003, not to exceed \$975,000 per fiscal year, plus any revenues received during the biennium beginning September 1, 2003 identified as earned federal funds for use in the operations of the Office of the Governor.
- Transfer Authority for Deficiency and Emergency Grants and Disaster Funds.** In accordance with applicable statutes and to facilitate current accounting and reporting procedures, the Governor may transfer funds and/or budget authority via journal voucher or other similar means as may be prescribed by the Comptroller of Public Accounts from Strategy A.1.1, Agency Grant Assistance and Strategy A.1.2, Disaster Funds to recipient agencies.
- Unexpended Balances.** Included in the amounts appropriated above are any unexpended balances as of August 31, 2004 for the Trusteed Programs within the Office of the Governor for the same purpose for the fiscal year beginning September 1, 2004.
- Federal Grants.** Funds received from the federal government for grants to the Trusteed Programs within the Office of the Governor that are directed to earn interest for the 2004–05 biennium will be deposited to General Revenue–Dedicated Account No. 224, Governor's Office Federal Projects, and are to be expended as directed by the grant.
- Reporting Requirements: Criminal Justice Division.** To ensure that Criminal Justice Planning Funds are spent in accordance with state and federal requirements, the Criminal Justice Division (CJD) shall require grant recipients to report data and documentation, not later than October 1 of each fiscal year, demonstrating compliance with contractual agreements for Criminal Justice Planning grants. At a minimum, reports submitted by grant recipients shall provide data to support all expenditures made with Criminal Justice Planning Funds; provide an

## TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR (Continued)

inventory of all equipment and capital items purchased with such funds; and provide all information necessary for scheduled and periodic reviews by the CJD.

In addition, the CJD shall establish and consistently adhere to internal guidelines for reviewing and evaluating grant requests, as well as requests for payments and reimbursements submitted by grantees. Not later than December 15 of each year, the CJD shall submit to the Legislative Budget Board and the State Auditor's Office a report detailing its findings regarding compliance by grantees.

7. **Criminal Justice Planning Funds.** Out of amounts appropriated above in Strategy A.1.3, Criminal Justice, the Criminal Justice Division shall transfer \$3,898,843 in fiscal year 2004 and \$3,878,407 in fiscal year 2005 funds from General Revenue—Dedicated Criminal Justice Planning Account No. 421 to the Texas Department of Criminal Justice (TDCJ). The amounts transferred by this provision do not require a grant application and are not restricted to project specific purposes. CJD may require a periodic accounting from TDCJ regarding its expenditures from these funds.
8. **Treatment Alternative to Incarceration Program.** Out of funds appropriated above to provide emergency and deficiency grants to state agencies, \$3,250,000 in fiscal year 2004 and \$3,250,000 in fiscal year 2005 is allocated to the Texas Department of Criminal Justice for the Treatment Alternative to Incarceration Program.
9. **Drug Court Grants.** Out of the amounts appropriated above in Strategy, A.1.3, Criminal Justice, \$750,000 each fiscal year out of the General Revenue Fund may be used to provide grants to drug courts. It is the intent of the Legislature that the presiding judge of a drug court must be an active judge holding elective office or a master. It is the intent of the Legislature that persons eligible for appointment may not be a former or retired judicial officer.
10. **Texas Enterprise Fund.** Contingent upon enactment of Senate Bill 1771, House Bill 3323 or similar legislation by the Seventy-eighth Legislature creating a Texas Enterprise Fund, all unexpended balances of appropriations made to the Fund by House Bill 7 or similar legislation are hereby appropriated for the purpose of economic development initiatives. In addition, Strategy A.1.8, Texas Enterprise Fund, is established in the bill pattern of the Trusteed Programs within the Office of the Governor. Out of this strategy, the Trusteed Programs within the Office of the Governor is appropriated all amounts contained herein out of the Texas Enterprise Fund for the biennium beginning September 1, 2003.
11. **Texas Optical Fiber Network and Grid Computing.** Contingent upon the passage of Senate Bill 1771, the Governor may direct \$5 million in 2004 and \$5 million in 2005 out of the Texas Enterprise Fund to provide an Optical Fiber Network and Grid Computing exclusively for research and education purposes. A total of \$7.5 million for the Optical Fiber Network may be transferred to a consortium of three or more institutions of higher education, located not less than 50 miles apart, operating under an interagency agreement for the exclusive purpose of operating a fiber optic network for research and education for use by and for the benefit of higher education and affiliated entities in the State of Texas. The fiber optic network shall not be used, directly or indirectly, with or without charge, to provide telecommunications or information services to the public in competition with the private sector. A total of \$2.5 million may be transferred to the consortium known as HiPCAT (University of Houston, Texas Tech University, University of Texas at Austin, Rice University, and Texas A&M University) for the purpose of creating the Texas Internet Grid for Research and Education. Any unexpended balances at the end of 2004 are appropriated for the same purpose in 2005. It is the intent of the Legislature that these services be purchased or provided pursuant to a competitive bidding process using best value procurement which shall be awarded based upon specified criteria including, but not limited to, the consideration of cost effectiveness, security, and the efficiency of the provider of such education and research services.

HISTORICAL COMMISSION

	For the Years Ending	
	August 31,	August 31,
	2004	2005
<b>A. Goal: HISTORICAL PRESERVATION</b>		
Preserve our state’s irreplaceable historic landmarks and artifacts for the enjoyment, education, and benefit of the public, and the enrichment of future generations.		
<b>Outcome (Results/Impact):</b>		
Number of Properties Protected Through Designations Annually	2,165	2,170
<b>A.1.1. Strategy: ARCHITECTURAL ASSISTANCE</b>	\$ 467,206	\$ 459,056
Protect Texas’ diverse architectural heritage by providing technical assistance for the responsible rehabilitation and preservation of properties.		
<b>Output (Volume):</b>		
Number of Historic Properties Provided Technical Assistance, Monitoring, and Mandated State and/or Federal Architectural Reviews in Order to Encourage Preservation	2,250	2,500
<b>A.1.2. Strategy: PRESERVATION TRUST FUND</b>	\$ 1,000,000	\$ 175,000
Provide financial assistance through the Preservation Trust Fund for critical preservation projects.		
<b>Output (Volume):</b>		
Number of Preservation Trust Fund Grants Awarded	35	35
<b>A.1.3. Strategy: ARCHEOLOGICAL HERITAGE PROTECTION</b>	\$ 1,835,368	\$ 1,013,465
Protect Texas’ diverse archeological heritage through state and federally mandated cultural resource reviews, historic property management programs, volunteer efforts, and public outreach.		
<b>Output (Volume):</b>		
Number of Construction Projects Reviewed for Archeological Impact	7,000	7,000
Number of Outreach and Technical Materials Distributed Through Print or Electronic Media	210,000	210,000
<b>A.1.4. Strategy: EVALUATE/INTERPRET RESOURCES</b>	\$ 2,738,758	\$ 1,109,672
Provide information, programs, and services to private, public, and nonprofit constituents for the identification, evaluation, preservation, and interpretation of historic resources.		
<b>Output (Volume):</b>		
Number of Public Presentations and Workshops Given	70	70
Number of Sites, Properties, and Other Historical Resources Evaluated	4,400	4,500
<b>A.1.5. Strategy: COURTHOUSE PRESERVATION</b>	\$ 25,000,000	\$ 20,000,000
Provide financial and technical assistance through the Texas Historic Courthouse Preservation Program for critical courthouse preservation projects.		
<b>A.2.1. Strategy: DEVELOPMENT ASSISTANCE</b>	\$ 2,672,609	\$ 2,081,911
Provide technical assistance to public, private, and nonprofit entities to encourage the process of preservation, development, and revitalization of Main Street cities, promotion and development of heritage tourism, Certified Local Governments, Visionaries in Preservation and other local and regional heritage initiatives.		



**HISTORICAL COMMISSION**  
(Continued)

<b>Output (Volume):</b>			
Number of Properties and Sites Assisted		1,300	1,325
<b>Total, Goal A: HISTORICAL PRESERVATION</b>	<b>\$</b>	<b>33,713,941</b>	<b>\$ 24,839,104</b>
<b>B. Goal: INDIRECT ADMINISTRATION</b>			
<b>B.1.1. Strategy: INDIRECT ADMINISTRATION</b>	<b>\$</b>	<b>1,114,254</b>	<b>\$ 1,088,408</b>
<b>Grand Total, HISTORICAL COMMISSION</b>	<b>\$</b>	<b>34,828,195</b>	<b>\$ 25,927,512</b>
<b>Method of Financing:</b>			
General Revenue Fund	\$	6,059,170	\$ 3,205,313
GR Dedicated - Texas Preservation Trust Fund Account No. 664		500,000	175,000
Federal Funds		839,171	838,237
<u>Other Funds</u>			
Appropriated Receipts		318,720	318,720
Interagency Contracts		2,111,134	1,390,242
Bond Proceeds - General Obligation Bonds		25,000,000	20,000,000
Subtotal, Other Funds	\$	27,429,854	\$ 21,708,962
<b>Total, Method of Financing</b>	<b>\$</b>	<b>34,828,195</b>	<b>\$ 25,927,512</b>
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		110.0	108.0
<b>Schedule of Exempt Positions:</b>			
Executive Director, Group 3		\$85,000	\$85,000
<b>Object-of-Expense Informational Listing:</b>			
Salaries and Wages	\$	3,789,807	\$ 3,658,841
Other Personnel Costs		64,689	64,688
Professional Fees and Services		11,800	11,800
Fuels and Lubricants		8,708	8,708
Consumable Supplies		59,134	59,134
Utilities		60,706	60,706
Travel		265,597	267,932
Rent - Building		5,550	5,570
Rent - Machine and Other		25,559	25,559
Other Operating Expense		3,356,169	1,291,751
Grants		26,648,476	20,472,823
Capital Expenditures		532,000	0
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$</b>	<b>34,828,195</b>	<b>\$ 25,927,512</b>

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

**HISTORICAL COMMISSION**  
(Continued)

	<u>2004</u>	<u>2005</u>
Out of the Interagency Contracts:		
a. Acquisition of Information Resource Technologies		
(1) Texas Historic Sites Atlas Enhancement	\$ 32,000	\$ 0
Total, Capital Budget	<u>\$ 32,000</u>	<u>\$ 0</u>

2. **Sam Rayburn House Caretaker.** A designated employee of the Texas Historical Commission is authorized to live on the grounds of the Sam Rayburn House Museum in Bonham, Texas at a rate to be determined by the Commission as set forth in Article IX, § 11.09, State Owned Housing-Recovery Housing Costs.
3. **Cost Recovery of Historical Markers.** It is the intent of the Legislature that the Historical Commission recover the full costs of historical markers, estimated to be \$155,339 in Appropriated Receipts for each fiscal year of the biennium and included above.
4. **Promotional Materials.** The Texas Historical Commission is hereby authorized to purchase promotional educational materials for resale or donation purposes during the biennium beginning September 1, 2003. All receipts received from the sale of these materials are hereby appropriated to the Commission for the administration and operation of agency programs. Any unexpended balances on hand as of August 31, 2004, from the sale of these materials are appropriated for the fiscal year beginning September 1, 2004.
5. **Registration of Historic Cemeteries.** The Texas Historical Commission is hereby authorized to collect funds for the registration of historic cemeteries. All fees collected pursuant to registration of historic cemeteries (estimated at \$1,900 in Appropriated Receipts in each fiscal year and included above) are appropriated to the Texas Historical Commission for the purpose of administering the Historic Cemetery Program for the biennium beginning September 1, 2003.
6. **Preservation Trust Fund.** Out of the amounts appropriated above in Strategy A.1.2, Preservation Trust Fund, \$500,000 in general revenue funds may be transferred to the Preservation Trust Fund dedicated account in the General Revenue Fund and is hereby appropriated to the Preservation Trust Fund dedicated account. Included in the amounts appropriated above in Strategy A.1.2, Preservation Trust Fund from the Preservation Trust Fund dedicated account are \$500,000 in fiscal year 2004 and \$175,000 in fiscal year 2005 as estimated interest earnings, as well as any gifts and donations deposited in the Preservation Trust Fund dedicated account on or after September 1, 2003.
7. **Tourism: Promotion of Historical Sites.** Out of amounts included above in Strategy A.2.1, Development Assistance, the Texas Historical Commission, pursuant to Government Code, Chapter 481.172 and Chapter 442.005(s), shall expend \$300,000 during the biennium beginning September 1, 2003, transferred from the Texas Department of Economic Development, and \$1 million during the biennium beginning September 1, 2003, transferred from the Texas Department of Transportation through interagency contract, to showcase historical sites in order to promote tourism and to encourage travel to the states historical attractions.
8. **Cultural Diversity Scholarships.** Gifts and donations received by the Historical Commission, not to exceed \$5,000 in each year of the biennium, may be expended for scholarships of up to \$500 per recipient for travel expenses, including meals and lodging, in order to encourage diversity among participants at agency sponsored conferences, seminars, and workshops.
9. **Military Sites Program.** Included in amounts appropriated above in Strategy A.1.4, Evaluate/Interpret Resources, is \$22,500 in general revenue funds in each year of the biennium for the purpose of continuing and further developing a military sites program and restoring

## HISTORICAL COMMISSION (Continued)

Texas military monuments in and outside the state. Appropriation of these amounts is contingent upon receipt by the Historical Commission, or by the Friends of the Texas Historical Commission, of private contributions, gifts, and donations, for the same purpose, in the amount of \$45,000 over the biennium. In the event that private contributions, gifts, and donations received total less than \$45,000 over the biennium, the appropriation is reduced to an amount which equals the total contributions, gifts, and donations received. Any unexpended balances of these funds remaining as of August 31, 2004, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2004, for the same purpose.

10. **La Salle Artifacts.** Included in amounts appropriated above in Strategy A.1.3, Archeological Heritage Protection, is \$250,000 in general revenue funds for the biennium for the conservation, analysis, interpretation and display of artifacts from the Belle Shipwreck, Fort St. Louis archeological site and other La Salle sites. Of this amount, \$125,000 is contingent upon receipt of matching funds by the Historical Commission in private contributions, gifts, and donations, for the same purpose. In the event that private contributions, gifts, and donations received by the Historical Commission total less than \$125,000 over the biennium, the matching general revenue appropriation is reduced to an amount which equals the total contributions, gifts, and donations received.

Any unexpended balances of these funds remaining as of August 31, 2004, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2004, for the same purpose.

11. **Appropriation of Receipts.** All fees that the Texas Historical Commission is authorized by statute to collect are hereby appropriated for the specific purpose named in the statute for the biennium beginning September 1, 2003.
12. **Unexpended Balances: Acquisition of Historical Artifacts.** Any unexpended balances remaining as of August 31, 2003, from the appropriation made by the Seventy-seventh Legislature for the acquisition of historic artifacts, (estimated to be \$0) are hereby appropriated to the Historical Commission for the biennium beginning September 1, 2003, for the same purpose. The Historical Commission shall develop a plan and process for the purchase and acquisition of documents, records, and/or other historical artifacts relating to Texas history prior to the purchase or acquisition of any such items, and shall coordinate with the State Preservation Board and the Texas State Library and Archives Commission. In addition, the commission shall coordinate the purchase or acquisition of the historical artifacts with institutions involved in historic preservation programs reflective of racial, ethnic, and cultural diversity throughout the state. The Historical Commission must also report on the status of acquisitions to the Governor and the Legislative Budget Board within 30 days of such acquisition.
13. **Advertisements in Agency Publications.** The Texas Historical Commission is hereby authorized to accept advertisements at prescribed rates in selected agency newsletters and publications (both print and electronic) to offset production costs. All amounts collected by the Historical Commission pursuant to acceptance of advertisements are hereby appropriated to the Historical Commission for the purpose of offsetting costs associated with production of agency newsletters and publications.
14. **Unexpended Balances: Courthouse Preservation Program.** Any unexpended balances remaining as of August 31, 2003, from the appropriation made to Strategy A.1.5, Courthouse Preservation, by the Seventy-seventh Legislature, Regular Session, (estimated to be \$0) are

**HISTORICAL COMMISSION**  
(Continued)

hereby appropriated to the Historical Commission for the biennium beginning September 1, 2003, for the same purpose.

Any unexpended balances of these funds remaining as of August 31, 2004, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2004, for the same purpose.

15. **Historical Preservation Program.** Out of funds appropriated above the Historical Commission shall develop a program to assist schools and community colleges with historical preservation. It is the intent of the Legislature that the commission evaluate and award grants based on merit. Grants awarded by the Historical Commission for the proposing school or community college are contingent upon receipt of a matching amount of funds by the school or community college.
16. **Texas Emancipation Juneteenth Cultural and Historical Commission.** Out of the amounts appropriated above in Strategy A.1.4, Evaluate and Interpret Resources is an amount not to exceed \$300,000 in General Revenue funds for fiscal year 2004 for the purpose of funding the activities and operations of the Texas Emancipation Juneteenth Cultural and Historical Commission.

Also included above in Strategy A.1.4, Evaluate and Interpret Resources are any unexpended balances of funds for the Juneteenth Commission on hand as of August 31, 2003, (not to exceed \$950,000) and August 31, 2004, for the fiscal years beginning September 1, 2003 and September 1, 2004, respectively, for the same purpose. Included above in the “Number of Full-time Equivalent Positions” is 1.5 FTEs in each year of the biennium to assist in carrying out the duties and responsibilities of the Texas Emancipation Juneteenth Cultural and Historical Commission such as the coordination of state and local activities relating to the cultural and historical celebration of Juneteenth. Any amounts appropriated to the Texas Emancipation Juneteenth Cultural and Historical Commission may be used for capital budget purposes for the acquisition of monuments. Such amounts are hereby exempted from the capital budget provisions contained in Article IX of this Act.

It is the intent of the Legislature that construction of the Juneteenth Memorial Monument be completed by the end of the 2004–05 biennium, and that appropriations to the Commission be limited to a total of \$100,000 for ongoing operating expenses in future biennia.

**COMMISSION ON HUMAN RIGHTS\***

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal:</b> ANTIDISCRIMINATION LAWS		
To provide leadership in the development and effective administration of policies and laws designed to prohibit and reduce discrimination in Texas.		
<b>Outcome (Results/Impact):</b>		
Percent of Investigations Complying with the Commission’s Quality Control Standards and the US EEOC’s Substantial Weight Review Standards	99%	99%
Percent of Investigations Complying with the Commission’s Quality Control Standards and HUD’s Standards	100%	100%
<b>A.1.1. Strategy:</b> EMPLOYMENT INVESTIGATIONS	\$ 1,207,561	\$ 1,207,561
Conduct all employment investigations in accordance with the commission’s quality control standards and the US EEOC substantial		

\*House Bill 2933, regular session, authorizes the transfer of the functions of the Commission on Human Rights to a new Civil Rights Division within the Texas Workforce Commission upon certification of the new division by the appropriate federal agencies.

COMMISSION ON HUMAN RIGHTS  
(Continued)

weight review standards and increase effective utilization of the alternative dispute resolution process.

Output (Volume):

Number of Employment Complaints Resolved 1,285 1,285

Efficiencies:

Average Cost Per Employment Complaint Resolved 695 690

A.1.2. Strategy: HOUSING INVESTIGATIONS \$ 364,551 \$ 364,551

Conduct all housing investigations in accordance with the Commission’s quality control standards and HUD standards.

Output (Volume):

Number of Housing Complaints Resolved 250 250

Efficiencies:

Average Cost Per Housing Complaint Resolved 1,216 1,175

Total, Goal A: ANTIDISCRIMINATION LAWS \$ 1,572,112 \$ 1,572,112

B. Goal: TRAINING AND ASSISTANCE

To provide comprehensive training and technical assistance to reduce employment and housing discrimination, conduct reviews of personnel policies of state agencies and institutions of higher education and review tests administered by fire departments.

Outcome (Results/Impact):

Percent Change Per Year in Employment Discrimination Complaints Filed with the Commission Against State Agencies and Institutions of Higher Education Receiving Training 5% 5%

B.1.1. Strategy: TRAINING \$ 347,715 \$ 347,716

Provide technical assistance and comprehensive training on compliance with laws prohibiting discrimination.

Output (Volume):

Number of EEO Training Sessions Conducted 200 200

Efficiencies:

Average Cost to Commission on Human Rights Per EEO Training Session Conducted 650 650

B.1.2. Strategy: MONITOR PERSONNEL POLICY \$ 261,889 \$ 261,888

Conduct personnel policy reviews of state agencies and institutions of higher education and reviews of tests by fire departments to ensure compliance with the Commission on Human Rights Act.

Output (Volume):

Number of On-site Personnel Policy Reviews Conducted 34 35

Number of Fire Department Tests Reviewed 15 15

Efficiencies:

Average Cost Per Review of Fire Department Tests 2,717 2,717

Total, Goal B: TRAINING AND ASSISTANCE \$ 609,604 \$ 609,604

Grand Total, COMMISSION ON HUMAN RIGHTS \$ 2,181,716 \$ 2,181,716

Method of Financing:

General Revenue Fund \$ 722,464 \$ 722,463

Federal Funds 1,212,576 1,212,577

**COMMISSION ON HUMAN RIGHTS**  
(Continued)

<u>Other Funds</u>			
Appropriated Receipts		114,611	114,611
Interagency Contracts		132,065	132,065
Subtotal, Other Funds	\$	246,676	\$ 246,676
<b>Total, Method of Financing</b>	\$	<b>2,181,716</b>	\$ <b>2,181,716</b>
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		49.0	49.0
<b>Schedule of Exempt Positions:</b>			
Executive Director, Group 2		\$62,000	\$62,000
<b>Object-of-Expense Informational Listing:</b>			
Salaries and Wages	\$	1,614,990	\$ 1,618,991
Other Personnel Costs		70,180	70,180
Professional Fees and Services		28,500	28,500
Consumable Supplies		20,000	20,000
Utilities		44,360	44,360
Travel		65,000	65,000
Rent - Building		167,611	167,611
Rent - Machine and Other		12,000	12,000
Other Operating Expense		159,075	155,074
<b>Total, Object-of-Expense Informational Listing</b>	\$	<b>2,181,716</b>	\$ <b>2,181,716</b>

1. **Cash Flow Contingency.**
- a. Contingent upon the receipt of federal funds allocated under the annual fixed cost performance based contracts and special projects with the US Equal Employment Opportunity Commission and the US Department of Housing and Urban Development, and upon the submission of monthly reports on all funds transfers and performance on all key measures to the Legislative Budget Board, Governor, and Comptroller of Public Accounts, the Commission may temporarily utilize additional General Revenue Funds, pending the receipt of federal reimbursement, in an amount not to exceed 75 percent of the amount as specified in the notification letter of federal award to be received in each year of the biennium. The General Revenue amounts utilized above the General Revenue method of finance must be repaid upon receipt of federal reimbursement and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be in accordance with procedures established by the Comptroller. All transfers of the method of finance shall be reported by the Commission to the Legislative Budget Board.
- b. The Commission on Human Rights may temporarily utilize additional General Revenue Funds pending reimbursement through interagency contracts in an amount not to exceed 50 percent of the estimated interagency contract receipts to be received each year of the biennium to be adjusted by actual contract amounts. The General Revenue amounts utilized above the General Revenue method of finance must be repaid upon receipt of interagency contract reimbursement and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be in accordance with procedures established by the Comptroller. Any contract balance at the end of the first fiscal year of the biennium is hereby appropriated to the second fiscal year of the biennium.
2. **Travel Expenditures.** The Commission on Human Rights is authorized to spend out of funds appropriated by this Act up to \$1,500 per employee or Commissioner for each year of the

COMMISSION ON HUMAN RIGHTS  
(Continued)

biennium for out-of-state travel. This limitation shall not apply to out-of-state travel required by the US Equal Employment Opportunity Commission or the US Department of Housing and Urban Development if the cost of such travel is reimbursed by the federal government.

3. **Limitation on Texas Fair Housing Act Investigations or Prosecutions.** No funds appropriated by this Act may be used to investigate or prosecute under the Texas Fair Housing Act any otherwise lawful activity, engaged in by one or more persons, that is engaged solely for the purpose of preventing action by a government official or court of competent jurisdiction.

TEXAS INCENTIVE AND PRODUCTIVITY COMMISSION

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: ENCOURAGE PARTICIPATION</b>		
To encourage the development of productive and innovative state agencies and employees and to recognize employees for their efforts to save money, increase revenues, and improve services. Government Code, 2108.022.		
<b>Outcome (Results/Impact):</b>		
Actual Total Savings/Revenues from Approved Suggestions	1,734,400	1,300,800
<b>A.1.1. Strategy: EDUCATION AND PROMOTION</b>	\$ 147,893	\$ 130,893
Educate employees and program coordinators/contacts and conduct program promotional activities.		
<b>Output (Volume):</b>		
Number of Training and Promotion Hours	3,972	3,972
<b>Efficiencies:</b>		
Average Cost Per Training Hour	26.78	26.78
<b>A.2.1. Strategy: REVIEW AND APPROVAL</b>	\$ 80,340	\$ 80,340
Conduct staff review and commission consideration of employee suggestions within 90 days.		
<b>Efficiencies:</b>		
Average Cost to Process SEIP Suggestions	37.2	35.35
<b>Total, Goal A: ENCOURAGE PARTICIPATION</b>	\$ 228,233	\$ 211,233
<b>Grand Total, TEXAS INCENTIVE AND PRODUCTIVITY COMMISSION</b>	\$ 228,233	\$ 211,233
<b>Method of Financing:</b>		
Appropriated Receipts	\$ 17,000	\$ 0
Interagency Contracts	211,233	211,233
<b>Total, Method of Financing</b>	\$ 228,233	\$ 211,233
<b>Number of Full-Time-Equivalent Positions (FTE):</b>	5.0	5.0
<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 1	\$49,500	\$49,500
<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 188,016	\$ 188,016
Other Personnel Costs	2,880	2,880

TEXAS INCENTIVE AND PRODUCTIVITY COMMISSION  
(Continued)

Professional Fees and Services	144	144
Consumable Supplies	3,000	3,000
Utilities	581	581
Travel	500	500
Rent - Machine and Other	3,000	3,000
Other Operating Expense	30,112	13,112
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 228,233</b>	<b>\$ 211,233</b>

1. **Appropriation, Employee Recognition Awards.** Included in amounts appropriated above in Strategy A.1.1, Education and Promotion, is \$7,500 in Interagency Contracts for the sole purpose of granting recognition awards of \$50 each as provided for in Government Code §2108.0235. In the event that the Commission grants fewer awards than projected, the Commission shall lapse the remaining balance to the General Revenue Fund.
2. **Awards for Statewide Suggestions Approved Under the State Employee Incentive Program.** In the event that an employee suggestion approved under the State Employee Incentive Program results in savings or revenue increases in funds that are not appropriated to the agency that implemented the employee suggestion, the Comptroller shall transfer 10 percent of the savings or revenue increases from the fund or account that realized the savings or revenue increases to the Texas Incentive and Productivity Commission to pay employee awards under Government Code § 2108.037. These funds are hereby appropriated to the Texas Incentive and Productivity Commission for such use.

DEPARTMENT OF INFORMATION RESOURCES

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: PROMOTE EFFICIENT IR SYSTEMS</b>		
Promote a statewide environment which encourages efficient use and management of information resources and assist the state leadership in achieving its goals by offering advice on information resources issues.		
<b>A.1.1. Strategy: STATEWIDE PLANNING</b>	\$ 1,323,034	\$ 1,241,016
Produce the Biennial Statewide Information Resources Strategic Plan and related performance reports and analyses, issue statewide recommendations, secure statewide assets, and participate in interagency task forces.		
<b>Output (Volume):</b>		
Number of Project Briefs/Issue Papers Produced	7	7
<b>A.1.2. Strategy: TEXAS ONLINE</b>	\$ 917,635	\$ 917,447
Manage contract for Texas Online, the State of Texas e-government portal.		
<b>A.2.1. Strategy: STANDARDS AND EDUCATION</b>	\$ 1,007,570	\$ 925,552
Develop technical standards, policies and reports on new technologies and procedures and provide educational programs to state agency personnel, including information resource managers.		
<b>Output (Volume):</b>		
Number of Technical and Industry Standards Reviewed	100	100



**DEPARTMENT OF INFORMATION RESOURCES**  
(Continued)

**Efficiencies:**

Average Cost Per Policy, Guideline and Standard Produced	299	349
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<b>Total, Goal A: PROMOTE EFFICIENT IR SYSTEMS</b>	\$ 3,248,239	\$ 3,084,015
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**B. Goal: COST EFFECTIVE IR ACQUISITION**

Assist state agencies and other governmental entities in the most cost-effective acquisition of their information resources.

**Outcome (Results/Impact):**

Cooperative Services Dollar Saved/Avoided Per Dollar of Program Operating Cost	33	33
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<b>B.1.1. Strategy: CONTRACT ADMINISTRATION</b>	\$ 2,155,924	\$ 2,155,924
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Assist state agencies and other governmental entities in the most cost effective acquisition of their information resources by negotiating, managing, and administering contracts with the major information technology providers.

**Output (Volume):**

Total Savings and Cost Avoidance through Utilization of Cooperative Services	60,000,000	60,000,000
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**C. Goal: TELECOMMUNICATIONS**

Assist governmental entities in cost-effective usage of network services.

**Outcome (Results/Impact):**

Percent Customer Satisfaction with CCTS Attained	98%	98%
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Percent of Customer Satisfaction with TEX-AN Services Attained	92%	95%
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<b>C.1.1. Strategy: CAPITOL COMPLEX TELEPHONE</b>	\$ 6,712,146	\$ 7,037,419
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Maintain and increase the capabilities of the Capitol Complex Telephone Systems.

**Efficiencies:**

Average Response Time for Trouble Tickets (in Hours)	3	3
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<b>C.2.1. Strategy: TEX-AN NETWORK SERVICES</b>	\$ 69,591,671	\$ 71,401,545
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Maintain TEX-AN network services.

**Efficiencies:**

Average Price Per Intrastate Minute on TEX-AN	.07	.07
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Average Price Per Toll-free Minute on TEX-AN	.07	.07
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<b>Total, Goal C: TELECOMMUNICATIONS</b>	\$ 76,303,817	\$ 78,438,964
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**D. Goal: INDIRECT ADMINISTRATION**

<b>D.1.1. Strategy: CENTRAL ADMINISTRATION</b>	\$ 1,039,280	\$ 1,039,280
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<b>D.1.2. Strategy: INFORMATION RESOURCES</b>	\$ 913,084	\$ 913,144
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<b>D.1.3. Strategy: OTHER SUPPORT SERVICES</b>	\$ 389,092	\$ 389,092
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<b>Total, Goal D: INDIRECT ADMINISTRATION</b>	\$ 2,341,456	\$ 2,341,516
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<b>Grand Total, DEPARTMENT OF INFORMATION RESOURCES</b>	\$ 84,049,436	\$ 86,020,419
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**Method of Financing:**

General Revenue Fund	\$ 2,581,432	\$ 2,581,878
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Other Funds

Appropriated Receipts	10,984,436	11,233,468
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Interagency Contracts	70,483,568	72,205,073
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Subtotal, Other Funds	\$ 81,468,004	\$ 83,438,541
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<b>Total, Method of Financing</b>	\$ 84,049,436	\$ 86,020,419
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**DEPARTMENT OF INFORMATION RESOURCES**  
(Continued)

<b>Number of Full-Time-Equivalent Positions (FTE):</b>	200.5	200.5
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<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 5	\$120,000	\$120,000

<b>Object-of-Expense Informational Listing:</b>			
Salaries and Wages	\$	9,939,897	\$ 9,962,176
Other Personnel Costs		125,151	125,551
Professional Fees and Services		997,096	813,994
Fuels and Lubricants		7,900	7,900
Consumable Supplies		65,066	65,066
Utilities		236,453	234,473
Travel		150,045	150,045
Rent - Building		55,798	55,798
Other Operating Expense		70,963,438	73,125,629
Capital Expenditures		1,508,592	1,479,787
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<b>Total, Object-of-Expense Informational Listing</b>	<b>\$</b>	<b>84,049,436</b>	<b>\$ 86,020,419</b>

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

		<u>2004</u>	<u>2005</u>
a. Acquisition of Information Resource Technologies			
(1) Telemanagement IR Upgrade	\$	17,000	\$ 14,000
(2) Computer Hardware	\$	53,680	\$ 53,240
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Total, Acquisition of Information Resource Technologies	\$	70,680	\$ 67,240
<hr/>			
b. Transportation Items			
(1) Vehicles	\$	45,000	\$ 25,000
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c. Other Lease Payments to the Master Lease Purchase Program (MLPP)			
(1) Lease Payments, 2002-03	\$	1,392,912	\$ 1,387,547
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Total, Capital Budget	\$	1,508,592	\$ 1,479,787

Method of Financing (Capital Budget):

General Revenue Fund	\$	7,320	\$ 7,260
<hr/>			
<u>Other Funds</u>			
Appropriated Receipts		64,150	60,450
Interagency Contracts		1,437,122	1,412,077
Subtotal, Other Funds	\$	1,501,272	\$ 1,472,527
<hr/>			
Total, Method of Financing	\$	1,508,592	\$ 1,479,787

## DEPARTMENT OF INFORMATION RESOURCES

(Continued)

2. **DIR Clearing Fund Account.** The Comptroller shall establish in the state treasury the Department of Information Resources clearing account for the administration of cost recovery activities pursuant to authority granted under Chapters 771, 791, 2054, 2055, and 2177 Government Code. The account shall be used:
- a. As a depository for funds received as payments from state agencies and units of local government for services provided;
  - b. As a source of funds for the department to purchase, lease, or acquire in any other manner services, supplies, software products, and equipment necessary for carrying out the department's duties relating to services provided to state agencies and units of local government for which the department receives payment from state agencies and local governmental units; and
  - c. To pay salaries, wages, and other costs directly attributable to the services provided to state agencies and units of local government for which the department receives payment from those agencies and governmental units. However, the maximum amount of Indirect Cost Allocation for administrative costs to be applied to state agency receipts and local government receipts shall not exceed 2.0 percent per receipt. The Department of Information Resources shall report the amount of administrative costs allocated to each agency and unit of local government annually to the Legislative Budget Board.

The balance of the account shall not exceed more than 10 percent of the total revenue processed through the account. All balances as of August 31, 2003, and revenues accruing during the 2004–05 biennium to the Department of Information Resources clearing fund account are hereby appropriated for the 2004–05 biennium. As part of its Comprehensive Annual Financial Report showing the use of appropriated funds, the Department of Information Resources shall include information showing the costs avoided and/or savings obtained through its cooperative activities and a list of the agencies or units of local government for which the clearing fund account was used.

3. **Capital Purchases on Behalf of Other Government Entities.** Any capital items related to information resources and telecommunications technologies purchased by the Department of Information Resources for use by other state agencies and governmental entities for which the department is reimbursed do not apply to the department for the purpose of the capital budget rider limitations specified in Article IX, Limitation on Expenditures - Capital Budget, of the General Provisions of this Act.
4. **Cash Flow Contingency.** Contingent upon receipt of reimbursements from state agencies, other governmental entities, and vendors for direct services provided and procurements of goods or services made through the Program Management Office, Cooperative Contracts, and Telecommunications Services programs, the department may temporarily utilize additional general revenue funds in an amount not to exceed 10 percent of projected annual sales or \$4.0 million, whichever is greater. These funds shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2005.
5. **TexasOnline Project.** Included in the amounts appropriated above in Strategy A.1.2, TexasOnline, is \$500,000 out of Appropriated Receipts generated by the TexasOnline Project for the 2004–05 biennium for the continued operation and expansion of the TexasOnline Project.

**DEPARTMENT OF INFORMATION RESOURCES**  
(Continued)

6. **Development of a Statewide Licensing Agreement.** Out of funds appropriated above, the Department of Information Resources shall plan, develop request for information and proposals, and contract negotiations for statewide licensing agreements, as required, for off-the-shelf licensing software. The Department of Information Resources shall assist agencies in the procurement and implementation of the licensing software.
7. **Reduce the State Reporting Burden on Texas Cities and Counties.** In coordination with a working group comprised of representatives of the Comptroller's Office, other state agencies, and local governments, DIR should compile a list of recommendations for the Legislature for streamlining and reducing reporting requirements on cities and counties. DIR should establish and update an inventory of required reports. Other purposes of these recommendations should be to improve data accuracy, electronic infrastructure, and access to data by the public and elected officials at all levels of government for better decision-making. It is the intent of this Legislature that state agencies cooperate with this working group, review existing reporting requirements, and wherever possible, place a moratorium on additional requirements, unless they are specifically required by law or essential to agency missions. Finally, the working group should examine the state-funded telecommunications networks that connect with county courthouses to determine the costs and benefits of consolidating these systems.

In addition, DIR in coordination with the Comptroller's Office, local governments, state and federal agencies, the Conference of Urban Counties, the Texas Association of Counties, and the Texas Municipal League should develop and implement functional specifications for a statewide electronic data clearinghouse. During the fiscal 2004-05 biennium, DIR should develop policies, procedures, data standards, training materials, and perform other duties to prepare for the establishment of the clearinghouse in fiscal year 2004. DIR should develop options for funding the ongoing maintenance, or expansion of the clearinghouse such as using resources from participating agencies to recoup the cost. Each option should address the potential impact on participation.

8. **Telecommunications Capital Budget Purchases.** The Department of Information Resources is hereby authorized to expend funds appropriated elsewhere in this Act to acquire equipment that may be necessary to facilitate cost savings or technical advancements associated with the Capital Complex Telephone System (CCTS) or TEX-AN Statewide Telecommunications System. The Department of Information Resources shall coordinate any equipment acquisitions associated with the TEX-AN Statewide Telecommunications System with the Telecommunications Planning and Oversight Council. The Department of Information Resources shall notify the Legislative Budget Board and the Governor prior to such acquisition.
9. **Telecommunications Revolving Account.** All moneys paid into the Telecommunication Revolving Fund Account in accordance with the provisions of Chapter 2170, Government Code, are included in the amounts appropriated above (estimated to be \$80,182,009 in 2004 and \$82,155,682 in 2005 in Appropriated Receipts and Interagency Contracts) and may be expended for the same purposes set out in Chapter 2170, Government Code. This includes services such as planning, development of requests for information and proposals, and contract negotiations.
10. **Electronic Government Program Management Office.** Included in the amounts appropriated above is \$1.8 million in Interagency Contracts for the Department of Information Resources to direct and facilitate the implementation of electronic government projects pursuant to Chapter 2055, Texas Government Code.
11. **TexasOnline Authority.** Included in the amounts appropriated above in Strategy A.1.2, Texas Online, is \$667,635 in 2004 and \$667,447 in 2005 out of General Revenue Funds (\$1,335,082) for the TexasOnline Authority to implement and administer electronic services.

LIBRARY & ARCHIVES COMMISSION

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: DELIVERY OF SERVICES</b>		
To improve the availability and delivery of library and information services for all Texans.		
<b>Outcome (Results/Impact):</b>		
Percent of the Population Living Outside of the Service Areas of Public Libraries	7.3%	7.3%
Percent of Eligible Population Registered for Talking Book Program Services	7.85%	7.8%
<b>A.1.1. Strategy: LIBRARY RESOURCE SHARING SERVICES</b>		
Share library resources among libraries statewide through the Library of Texas, interlibrary loan, TexShare, and other projects.	\$ 7,957,845	\$ 7,836,345
<b>Output (Volume):</b>		
Number of Persons Provided Project-sponsored Services by Shared Resources	3,620,000	3,472,000
<b>A.1.2. Strategy: AID TO LOCAL LIBRARIES</b>	\$ 12,170,240	\$ 12,362,362
Provide services and grants to aid in the development of local libraries, including Loan Star Libraries grants, continuing education and consulting services, the Texas Reading Club, funding regional cooperative programs, and other grants.		
<b>Output (Volume):</b>		
Number of Persons Provided Local Library Project-sponsored Services	1,830,000	1,850,000
<b>A.2.1. Strategy: DISABLED SERVICES</b>	\$ 1,685,000	\$ 1,705,600
Provide direct library service by mail to Texas citizens with disabilities from a centralized collection of large-print, braille, and recorded books.		
<b>Output (Volume):</b>		
Number of Persons Served	21,000	21,000
<b>Total, Goal A: DELIVERY OF SERVICES</b>	\$ 21,813,085	\$ 21,904,307
<b>B. Goal: PUBLIC ACCESS TO GOV'T INFORMATION</b>		
To improve the availability and delivery of information services to state government and to persons seeking current and historical information from state government.		
<b>Outcome (Results/Impact):</b>		
Percent of Customers Satisfied with State Library Reference and Information Services	95%	95%
<b>B.1.1. Strategy: PROVIDE ACCESS TO INFO &amp; ARCHIVES</b>		
Provide legislators, staff, and the general public with ready access to needed government information from publications, documents, records, and other library resources.	\$ 1,408,087	\$ 1,408,088
<b>Output (Volume):</b>		
Number of Assists with Information Resources	126,000	127,000
<b>C. Goal: MANAGE STATE-LOCAL RECORDS</b>		
To provide for the cost-effective management of all state and local government records.		
<b>C.1.1. Strategy: MANAGE STATE-LOCAL RECORDS</b>	\$ 2,261,406	\$ 2,182,878
Provide records management training, consulting, and storage services to state agencies and local government officials.		

# LIBRARY & ARCHIVES COMMISSION

(Continued)

<b>Output (Volume):</b>			
Number of Cubic Feet Stored/Maintained		351,000	363,000
<b>D. Goal: INDIRECT ADMINISTRATION</b>			
<b>D.1.1. Strategy: INDIRECT ADMINISTRATION</b>	\$	1,916,335	\$ 1,918,335
<b>Grand Total, LIBRARY &amp; ARCHIVES COMMISSION</b>	\$	27,398,913	\$ 27,413,608

<b>Method of Financing:</b>			
<u>General Revenue Fund</u>			
General Revenue Fund	\$	11,842,666	\$ 11,877,509
Earned Federal Funds		110,630	110,630
Subtotal, General Revenue Fund	\$	11,953,296	\$ 11,988,139
<u>General Revenue Fund - Dedicated</u>			
New Millennium Reading Account No. 5042		7,500	7,500
Telecommunications Infrastructure Fund No. 345		3,025,000	3,025,000
Subtotal, General Revenue Fund - Dedicated	\$	3,032,500	\$ 3,032,500
<u>Federal Funds</u>			
Federal Public Library Service Fund No. 118		10,004,700	10,104,200
Federal Funds		5,000	5,000
Subtotal, Federal Funds	\$	10,009,700	\$ 10,109,200
<u>Other Funds</u>			
Appropriated Receipts		643,220	679,850
Interagency Contracts		1,760,197	1,603,919
Subtotal, Other Funds	\$	2,403,417	\$ 2,283,769
<b>Total, Method of Financing</b>	\$	27,398,913	\$ 27,413,608

**Number of Full-Time-Equivalent Positions (FTE):** 210.5 210.5

<b>Schedule of Exempt Positions:</b>			
Director-Librarian, Group 3		\$85,000	\$85,000
Per Diem of Commissioners		1,080	1,080

<b>Object-of-Expense Informational Listing:</b>			
Salaries and Wages	\$	6,667,045	\$ 6,667,045
Other Personnel Costs		256,793	262,393
Professional Fees and Services		271,664	250,519
Fuels and Lubricants		7,130	7,630
Consumable Supplies		173,209	179,157
Utilities		239,555	239,565
Travel		67,479	69,222
Rent - Building		11,975	12,075
Rent - Machine and Other		30,250	30,250
Other Operating Expense		6,252,140	6,476,353
Grants		13,003,500	12,925,225
Capital Expenditures		418,173	294,174
<b>Total, Object-of-Expense Informational Listing</b>	\$	27,398,913	\$ 27,413,608

- Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the

**LIBRARY & ARCHIVES COMMISSION**  
(Continued)

purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	<u>2004</u>	<u>2005</u>
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Replacement of Air Conditioning Equipment for Agency Computer Room	\$ 25,000	\$ UB
(2) Replacement of HVAC Digital Controls	28,200	UB
Total, Repair or Rehabilitation of Buildings and Facilities	\$ 53,200	\$ UB
b. Acquisition of Information Resource Technologies		
(1) Acquisition of New or Replacement Computer Resources for Desktop Workstations and Maintenance of the Agency Network	145,200	120,000
(2) Provide Public Access to Information Resources (Content Databases and E-books)	4,475,000	4,474,370
(3) Grant Management Document System	37,500	UB
Total, Acquisition of Information Resource Technologies	\$ 4,657,700	\$ 4,594,370
c. Transportation Items		
(1) Acquisition of Mission-Critical Delivery Vehicles for the State Records Management Program	18,000	18,000
d. Acquisition of Capital Equipment and Items		
(1) Acquisition of Microfilm or Imaging Equipment for the State and Local Records Management Division	61,800	52,150
(2) Materials to be Added to the Collections of the Texas State Library	88,523	88,524
Total, Acquisition of Capital Equipment and Items	\$ 150,323	\$ 140,674
e. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Lease Payments (MLPP) for 02/03 Acquisition	9,950	9,500
Total, Capital Budget	\$ 4,889,173	\$ 4,762,544

**LIBRARY & ARCHIVES COMMISSION**  
(Continued)

Method of Financing (Capital Budget):

General Revenue Fund	\$	113,073	\$	100,124
GR Dedicated - Telecommunications				
Infrastructure Fund No. 345		3,025,000		3,025,000
Federal Public Library Service Fund No. 118		991,000		965,370

Other Funds

Appropriated Receipts		325,100		325,100
Interagency Contracts		435,000		346,950
Subtotal, Other Funds	\$	760,100	\$	672,050

Total, Method of Financing	\$	4,889,173	\$	4,762,544
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2. **Disbursement of Library Development Funds.** The Texas State Library and Archives Commission is hereby authorized to disburse to public libraries, major resource systems and regional library systems those general revenue funds appropriated in Strategy A.1.2, Aid to Local Libraries, in a manner consistent with Government Code § 441.138 in order to satisfy the requirements of the federal maintenance of effort provisions in the Museum and Library Services Act of 1996, and federal regulations developed pursuant to that Act. The Commission is also authorized to promulgate rules necessary to administer these disbursements.
3. **Unexpended Balances: Imaging and Storage Fees.** Any unexpended balances on hand as of August 31, 2004, from fees collected by the Texas State Library and Archives Commission for the purpose of cost recovery of imaging state and local government records on film and/or electronic storage media, and from state agencies for the storage of state records, as authorized by Government Code § 441.182, are hereby appropriated to the Texas State Library and Archives Commission for the fiscal year beginning September 1, 2004.
4. **Appropriation of Receipts and Unexpended Balances of TexShare Membership Fees and Reimbursements.** The Library and Archives Commission is hereby authorized to collect fees from the members of the TexShare Library Resource Sharing consortium (estimated to be \$500,000 each fiscal year and included above in Strategy A.1.1, Library Resource Sharing Services) from revenue generated from the fiscal year beginning September 1, 2003 as authorized by Government Code § 441.224 in order to supplement insufficient funding from the Telecommunications Infrastructure Fund Board for costs associated with the TexShare program.

Any unexpended balances on hand as of August 31, 2003 (estimated to be \$150,000 and included above) in amounts collected from TexShare members for TexShare services or programs are hereby appropriated for the same purpose for the biennium beginning September 1, 2003.
5. **Cash Flow Contingency.** Contingent upon reimbursements from state agencies and other governmental, and private entities for imaging and records storage services, the agency may temporarily utilize general revenue funds, not to exceed \$200,000. These funds shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursements of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2005.
6. **New Millennium/Texas Reads License Plates.** Included in the amounts appropriated above in Strategy A.1.2, Aid to Local Libraries are all balances collected prior to the effective date of this Act and revenue collected on or after September 1, 2003, (not to exceed \$7,500 in each fiscal year) for the sale of license plates as provided by Transportation Code § 502.2663.



LIBRARY & ARCHIVES COMMISSION  
(Continued)

Any unexpended balances as of August 31, 2004, out of the appropriations made herein are hereby appropriated to the State Library and Archives Commission for the fiscal year beginning September 1, 2004.

PENSION REVIEW BOARD

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>Out of the General Revenue Fund:</b>		
<b>A. Goal: SOUND RETIREMENT SYSTEMS</b>		
Ensure that Texas Public Retirement Systems are actuarially sound and well managed in their administration and investments so that members receive their entitled benefits with a minimum expenditure of taxpayer dollars.		
<b>Outcome (Results/Impact):</b>		
Percent of Texas Public Retirement Systems That Are Actuarially or Financially Sound	95%	95%
Percent of Plan Administrators Satisfied with PRB Educational Services	98%	98%
<b>A.1.1. Strategy: RETIREMENT SYSTEM REVIEWS</b>	\$ 134,851	\$ 134,851
Conduct reviews of Texas public retirement systems.		
<b>Output (Volume):</b>		
Number of Reviews Completed	260	260
<b>A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION</b>	\$ 148,732	\$ 185,172
Provide technical assistance and educational services to public retirement systems, examine legislation for potential impact on Texas' public retirement systems, and provide electronic access to public pension data.		
<b>Output (Volume):</b>		
Number of Technical Assistance Reports Provided by Staff	200	350
<b>Total, Goal A: SOUND RETIREMENT SYSTEMS</b>	\$ 283,583	\$ 320,023
<b>Grand Total, PENSION REVIEW BOARD</b>	\$ 283,583	\$ 320,023
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		
	5.0	5.0
<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 1	\$52,000	\$52,000
Per Diem of Board Members	1,400	2,520
<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 229,332	\$ 229,332
Other Personnel Costs	7,600	8,720
Operating Costs	13,881	50,320
Consumable Supplies	2,000	2,000
Utilities	110	110
Travel	3,500	3,500
Rent - Building	400	400

PENSION REVIEW BOARD  
(Continued)

Rent - Machine and Other	4,300	4,300
Other Operating Expense	20,460	19,341
Capital Expenditures	2,000	2,000
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 283,583</b>	<b>\$ 320,023</b>

PRESERVATION BOARD

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: MANAGE CAPITOL AND OTHER BUILDINGS</b>		
Manage the State Capitol and other designated buildings, their contents and their grounds, and promote Texas history.		
<b>Outcome (Results/Impact):</b>		
Percent of Maintenance Tasks Completed Correctly	99%	99%
<b>A.1.1. Strategy: PRESERVE BUILDINGS AND CONTENTS</b>		
Preserve the State Capitol and other designated buildings, their contents, and their grounds.	\$ 567,040	\$ 567,040
<b>Output (Volume):</b>		
Number of Repairs and Restorations of Historical Items Completed	98	465
<b>A.1.2. Strategy: BUILDING MAINTENANCE</b>		
Maintain the State Capitol and other designated buildings and their grounds through use of agency resources and private contracts.	\$ 3,284,500	\$ 3,284,500
<b>Efficiencies:</b>		
Cost Per Building Square Foot of Custodial Care	2	2
<b>A.2.1. Strategy: MANAGE EDUCATIONAL PROGRAM</b>		
Manage an educational program focusing on Texas history and the historical buildings, their contents, and their grounds.	\$ 638,000	\$ 638,000
<b>Output (Volume):</b>		
Number of School-age Tours Conducted at the Visitors Center	650	650
<b>A.2.2. Strategy: MANAGE STATE HISTORY MUSEUM</b>		
Manage and operate the Bob Bullock Texas State History Museum.	\$ 6,742,570	\$ 6,680,590
<b>Explanatory:</b>		
Number of Visitors to the Museum	506,000	531,000
<b>A.3.1. Strategy: MANAGE ENTERPRISES</b>		
Manage Capitol events, exhibits and activities, and operate profitable gift shops.	\$ 38,440	\$ 38,440
<b>Explanatory:</b>		
Income from Parking Meters	615,000	625,000
Number of Capitol Gift Shop Sales Transactions	90,000	100,000
<b>Total, Goal A: MANAGE CAPITOL AND OTHER BUILDINGS</b>	<b>\$ 11,270,550</b>	<b>\$ 11,208,570</b>
<b>B. Goal: INDIRECT ADMINISTRATION</b>		
<b>B.1.1. Strategy: INDIRECT ADMINISTRATION</b>	\$ 779,000	\$ 779,000
<b>Grand Total, PRESERVATION BOARD</b>	<b>\$ 12,049,550</b>	<b>\$ 11,987,570</b>
<b>Method of Financing:</b>		
General Revenue Fund	\$ 12,018,001	\$ 11,956,021

**PRESERVATION BOARD**  
(Continued)

Other Funds			
Appropriated Receipts	25,000		25,000
Interagency Contracts	6,549		6,549
Subtotal, Other Funds	\$ 31,549	\$	31,549

<b>Total, Method of Financing</b>	<b>\$ 12,049,550</b>	<b>\$</b>	<b>11,987,570</b>
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<b>Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds</b>	<b>98.0</b>		<b>98.0</b>
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<b>Number of Full-Time-Equivalent Positions (FTE)-Total</b>	<b>218.5</b>		<b>218.5</b>
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<b>Schedule of Exempt Positions:</b>			
Executive Director, Group 4	\$115,000		\$115,000

<b>Object-of-Expense Informational Listing:</b>			
Salaries and Wages	\$ 2,984,040	\$	2,984,040
Other Personnel Costs	97,800		97,800
Professional Fees and Services	104,500		104,500
Fuels and Lubricants	2,500		2,500
Consumable Supplies	162,100		162,100
Utilities	35,000		35,000
Travel	7,000		7,000
Rent - Building	850		850
Rent - Machine and Other	10,000		10,000
Other Operating Expense	8,570,760		8,508,780
Capital Expenditures	75,000		75,000

<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 12,049,550</b>	<b>\$</b>	<b>11,987,570</b>
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1. **Capitol Fund.** Any funds deposited, including fees and revenue collected or earned, during the biennium beginning September 1, 2003, and any balances remaining as of August 31, 2003, in the Capitol Fund, a fund held outside the Treasury, are to be used for the benefit of the Capitol and associated programs of the agency in accordance with the intentions of the donors and the Legislature.
2. **Maintaining Paved Surfaces of Capitol Grounds.** It is the intent of the Legislature that the Texas Department of Transportation shall maintain paved surfaces on the State Capitol Grounds according to the Historic Capitol Grounds Master Plan adopted by the State Preservation Board.
3. **Unexpended Balances: Between Fiscal Years.** Any unexpended balances as of August 31, 2004, from the appropriations made above are hereby appropriated to the State Preservation Board for the same purpose for the fiscal year beginning September 1, 2004.
4. **Appropriation: Debt Service for Construction of State History Museum.** Included in the amounts appropriated above out of the General Revenue Fund for Strategy A.2.2, Manage State History Museum, the amounts of \$6,692,570 for fiscal year 2004 and \$6,630,590 for fiscal year 2005 are to be used for lease payments to the Texas Public Finance Authority for debt service payments on the revenue bonds or other revenue obligations issued to construct the State History Museum, and the amounts of \$50,000 each fiscal year of the 2004–05 biennium are to be used for insurance payments as required by the Texas Public Finance Authority.

STATE OFFICE OF RISK MANAGEMENT

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: MANAGE RISK AND ADMINISTER CLAIMS</b>		
To manage costs for covered state agencies arising from the risk of loss through the delivery of professional risk management and claims administration services that are customized to specific agency needs.		
<b>Outcome (Results/Impact):</b>		
Incident Rate of Injuries and Illnesses Per 100 Covered Full-time State Employees	4.9%	4.9%
Cost of Workers' Compensation Per Covered State Employee	440	447
<b>A.1.1. Strategy: RISK MANAGEMENT PROGRAM</b>	\$ 2,109,254	\$ 1,931,354
Establish statewide risk management guidelines, work with agencies to develop programs that meet the guidelines, conduct on-site risk management program reviews, and provide safety evaluations, consultations, and training.		
<b>Output (Volume):</b>		
Number of Written Risk Management Program Reviews Conducted	32	32
Number of On-site Consultations Conducted	250	250
<b>A.2.1. Strategy: PAY WORKERS' COMPENSATION</b>	\$ 5,332,623	\$ 6,052,217
Obtain and review all claims for Workers' Compensation in accordance with state law and administrative regulations, determine eligibility for medical and indemnity benefits and determine the injured employee's weekly wage and indemnity payment rate.		
<b>Output (Volume):</b>		
Number of Medical Bills Processed	198,000	200,000
Number of Indemnity Bills Paid	69,000	69,000
<b>Efficiencies:</b>		
Average Cost to Administer Claim	335	335
<b>Total, Goal A: MANAGE RISK AND ADMINISTER CLAIMS</b>	\$ 7,441,877	\$ 7,983,571
<b>Grand Total, STATE OFFICE OF RISK MANAGEMENT</b>	\$ 7,441,877	\$ 7,983,571
<b>Method of Financing:</b>		
General Revenue Fund	\$ 5,332,623	\$ 3,461,603
Interagency Contracts	2,109,254	4,521,968
<b>Total, Method of Financing</b>	\$ 7,441,877	\$ 7,983,571
<b>Number of Full-Time-Equivalent Positions (FTE):</b>	124.0	124.0
<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 3	\$85,000	\$85,000
<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 4,446,682	\$ 4,446,682
Other Personnel Costs	92,090	92,090
Professional Fees and Services	1,957,020	2,676,614
Consumable Supplies	54,161	54,161
Utilities	31,018	23,018
Travel	118,651	118,651
Rent - Building	10,072	10,072
Rent - Machine and Other	35,013	35,013

STATE OFFICE OF RISK MANAGEMENT  
(Continued)

Other Operating Expense	537,770	527,270
Capital Expenditures	159,400	0
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 7,441,877</b>	<b>\$ 7,983,571</b>

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.
- |   | 2004              | 2005        |
|---|-------------------|-------------|
| Out of the Interagency Contracts:                   |                   |             |
| a. Acquisition of Information Resource Technologies |                   |             |
| (1) Risk Management Information System              | \$ 177,900        | \$ 0        |
| <b>Total, Capital Budget</b>                        | <b>\$ 177,900</b> | <b>\$ 0</b> |
2. **Risk Management Guide for State Agencies.** The State Office of Risk Management shall maintain a risk management guide for all state agencies.
3. **Appropriation of Unexpended Balances for Cost Containment.** Any unexpended balances remaining as of August 31, 2004, out of appropriations made to Strategy A.2.1, Pay Workers' Compensation, are hereby appropriated to the State Office of Risk Management for the fiscal year beginning September 1, 2004. It is the intent of the Legislature that these unexpended balances, estimated to be no less than \$531,020 in General Revenue Funds, be applied toward assessments charged to state agencies for the cost containment vendor contract.

WORKERS' COMPENSATION PAYMENTS

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: WORKERS' COMPENSATION PAYMENTS</b>		
<b>A.1.1. Strategy: WORKERS' COMPENSATION PAYMENTS</b>	\$ 83,300,000	\$ 83,300,000 & UB
<b>Grand Total, WORKERS' COMPENSATION PAYMENTS</b>	<b>\$ 83,300,000</b>	<b>\$ 83,300,000</b>
<b>Method of Financing:</b>		
Subrogation Receipts	\$ 550,000	\$ 550,000
Interagency Contracts	82,750,000	82,750,000
<b>Total, Method of Financing</b>	<b>\$ 83,300,000</b>	<b>\$ 83,300,000</b>
<b>Object-of-Expense Informational Listing:</b>		
Operating Costs	\$ 83,300,000	\$ 83,300,000
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 83,300,000</b>	<b>\$ 83,300,000</b>

WORKERS' COMPENSATION PAYMENTS  
(Continued)

- 1. **Appropriation - Subrogation Receipts.** All sums of money recovered by the State Office of Risk Management from third parties by way of subrogation are hereby appropriated to the State Office of Risk Management during the biennium of receipt to be used for the payment of workers' compensation benefits to state employees.
- 2. **Cost Containment.** The State Office of Risk Management shall submit a report detailing the effectiveness of various cost containment measures undertaken and proposing additional measures to reduce workers' compensation costs. This report shall be submitted to the legislative and executive budget offices, in the form those offices require, within 45 days after the close of each fiscal year.
- 3. **Reporting of Workers' Compensation Claims.** For the purpose of reporting expenditures to the Uniform Statewide Accounting System (USAS), it is the intent of the Legislature that the State Office of Risk Management (SORM) account for payments of workers' compensation claims based on the date on which the bill for services is presented for payment to SORM.

In addition, not later than November 1 of each year, the State Office of Risk Management shall submit a report to the Comptroller of Public Accounts, the Governor's Office, and the Legislative Budget Board which accounts for workers' compensation expenditures for the preceding appropriation year based on the date on which the injury occurred and the medical or related service was performed.

SECRETARY OF STATE

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: INFORMATION MANAGEMENT</b>		
Provide accurate, reliable, and timely access to information; maximize the efficiency of document processing; and take actions to ensure compliance with laws and rules.		
<b>Outcome (Results/Impact):</b>		
Percent of Business, Commercial, and Public Filings and Information Requests Completed in Three Days		
<b>A.1.1. Strategy: DOCUMENT FILING</b>	\$ 8,347,172	\$ 8,511,722
File or reject business entity, uniform commercial code, notary public and other statutory filings and maintain and disseminate information derived from those filings.		
<b>Output (Volume):</b>		
Number of Business, Commercial, and Public Filings Transactions Processed	1,170,000	1,170,000
Number of Processed Requests for Information on Business, Commercial, and Public Filings	1,260,000	1,260,000
<b>Efficiencies:</b>		
Average Cost Per Business, Commercial, and Public Filings Transaction and Public Information Request	3.47	3.54
<b>A.2.1. Strategy: DOCUMENT PUBLISHING</b>	\$ 1,149,395	\$ 922,788
Publish the Texas Register, the Texas Administrative Code, and session laws.		
		& UB

**SECRETARY OF STATE**  
(Continued)

<b>Efficiencies:</b>			
Average Cost per Texas Register and Administrative Code Published		18,042	17,528
<b>Total, Goal A: INFORMATION MANAGEMENT</b>	\$	9,496,567	\$ 9,434,510

**B. Goal: ADMINISTER ELECTION LAWS**  
Maintain uniformity and integrity in the conduct of elections statewide while overseeing the election process in the state.

<b>B.1.1. Strategy: ELECTIONS ADMINISTRATION</b>	\$	2,790,212	\$ 2,790,213
Provide statewide elections administration.			
<b>Output (Volume):</b>			
Number of Election Officials Assisted or Advised		65,856	41,160
<b>Efficiencies:</b>			
Average Cost per Election Authority Assisted or Advised		25.3	40.6
<b>B.1.2. Strategy: ELECTION/VOTER REGISTRATION FUNDS</b>	\$	11,429,435	\$ 528,292 & UB
Administer primary election funds and reimburse voter registration postage payable to counties.			
<b>B.1.3. Strategy: CONSTITUTIONAL AMENDMENTS</b>	\$	1,155,412	\$ 51,281 & UB
Publish and interpret constitutional amendments.			
<b>Output (Volume):</b>			
Number of Constitutional Amendment Translations Mailed		1,900,000	0
<b>Total, Goal B: ADMINISTER ELECTION LAWS</b>	\$	15,375,059	\$ 3,369,786

**C. Goal: INTERNATIONAL PROTOCOL**  
Provide protocol services; encourage cooperation on issues relating to Mexico and the border; and coordinate activities related to improving physical living conditions in colonias.

<b>C.1.1. Strategy: PROTOCOL/BORDER AFFAIRS</b>	\$	341,655	\$ 347,192
Provide protocol services, and represent the Governor and the state at meetings, events and conferences with diplomatic corps, government officials and business leaders.			
<b>C.1.2. Strategy: COLONIAS INITIATIVES</b>	\$	560,276	\$ 569,381
Coordinate state agency activities and secure funding to improve physical living conditions in colonias and advocate the needs of colonias residents.			
<b>Output (Volume):</b>			
Count of Collaborative Meetings Coordinated		110	110
<b>Total, Goal C: INTERNATIONAL PROTOCOL</b>	\$	901,931	\$ 916,573
<b>Grand Total, SECRETARY OF STATE</b>	\$	25,773,557	\$ 13,720,869

<b>Method of Financing:</b>			
General Revenue Fund	\$	21,729,535	\$ 9,702,066
Appropriated Receipts		4,044,022	4,018,803
<b>Total, Method of Financing</b>	\$	25,773,557	\$ 13,720,869

<b>Number of Full-Time-Equivalent Positions (FTE):</b>	248.5	248.5
<b>Number of FTEs in Riders:</b>	6.0	6.0
<b>Schedule of Exempt Positions:</b>		
Secretary of State, Group 4	\$117,516	\$117,516

**SECRETARY OF STATE**  
(Continued)

<b>Supplemental Appropriations Made in Riders:</b>	\$	81,000,000	\$	0
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<b>Object-of-Expense Informational Listing:</b>				
Salaries and Wages	\$	10,426,527	\$	9,716,655
Other Personnel Costs		376,733		276,734
Professional Fees and Services		704,451		204,450
Fuels and Lubricants		150		141
Consumable Supplies		186,174		186,174
Utilities		48,920		48,920
Travel		213,814		183,816
Rent - Machine and Other		141,070		141,070
Other Operating Expense		4,770,104		2,551,253
Grants		88,493,957		0
Capital Expenditures		1,411,657		411,656
<b>Total, Object-of-Expense Informational Listing</b>				
	\$	106,773,557	\$	13,720,869

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

		<u>2004</u>		<u>2005</u>
Out of the Appropriated Receipts:				
a. Acquisition of Information Resource Technologies				
(1) Information Technology Purchases	\$	250,000	\$	250,000
(2) Workstation Upgrades	\$	140,000	\$	140,000
Total, Acquisition of Information Resource Technologies				
	\$	390,000	\$	390,000
Total, Capital Budget				
	\$	390,000	\$	390,000

2. **Contingency Appropriation for Constitutional Amendments.** The amounts appropriated above in Strategy B.1.3, Constitutional Amendments, are intended to cover the costs of fulfilling the requirements of Election Code, Chapter 274, Subchapter B, and Article 17 § 1 of the Texas Constitution for 20 proposed constitutional amendments or referendum items. In the event that the number of proposed constitutional amendments or referendum items exceeds 20, or if the actual costs exceed the amounts appropriated herein, the Secretary of State is hereby appropriated from General Revenue the additional funds necessary to fulfill the aforementioned requirements.
3. **Travel Expenditures.** The Secretary of State is hereby authorized to expend funds from the above appropriations to reimburse state inspectors for travel expenses pursuant to Election Code, § 34.003.
4. **Limitation, Primary Finance.** Of the funds appropriated in Strategy B.1.2, Election/Voter Registration Funds, not more than \$250,000 may be distributed to the executive committees of the state parties for the operation of the primary and runoff elections. Funds distributed to the executive committees shall be distributed to the respective parties in the ratio of the total number of primary and runoff voters in the 2004 elections.



**SECRETARY OF STATE**  
(Continued)

5. **Distribution of Session Laws.** None of the funds appropriated above may be expended for the printing or distribution of session laws except for the following: (1) one copy to the Governor, (2) one copy to the Lieutenant Governor, (3) one copy to the Speaker of the House, (4) one copy to each Court of Appeals, (5) one copy to each County Law Library, (6) 10 copies to the Texas Legislative Council, (7) 15 copies to the Legislative Reference Library, (8) 30 copies to the State Law Library, (9) 60 copies to the Texas State Library, (10) one copy to each member of the Legislature upon request, and (11) one copy to the Legislative Budget Board.
6. **Use of Excess Registration Fees Authorization.** Any registration fee collected by the Office of the Secretary of State to pay the expenses of a conference, seminar or meeting in excess of the actual costs of such conference, seminar or meeting may be used to pay the expenses of any other conference, seminar or meeting for which no registration fees were collected or for which registration fees collected were insufficient to cover the total expenses.
7. **Border Affairs Coordinator.** Out of funds appropriated above, the Secretary of State shall provide funding for a Border Affairs Coordinator to advocate for infrastructure needs, to coordinate activities related to colonias, and to promote economic development along the Texas border. In addition, the Coordinator shall encourage cooperation between the state, federal and Mexican governments in addressing issues related to the border between Texas and Mexico.
8. **Contingency Appropriation.** In the event the appropriations above for B.1.1, Elections Administration are insufficient for the State to qualify for federal funding under the Help America Vote Act, the Secretary of State is authorized to transfer other appropriated funds into the Elections Administration strategy in amounts sufficient to obtain federal funds. Any restrictions found elsewhere in this Act do not apply to these appropriation transfers.
9. **Contingency for House Bill 1549.** Contingent upon the passage of House Bill 1549 or similar legislation creating the Election Improvement Fund, by the Seventy-eighth Legislature, Regular Session, there is hereby appropriated \$81 million in Federal Funds consisting of \$58 million in Help America Vote Act (HAVA) Title III funds and \$23 million in HAVA Title I funds for elections administration and improvement. Such funds shall be deposited to the credit of the newly created GR–Dedicated - Election Improvement Fund. In addition, Strategy B.1.4, Elections Improvement is established in the bill pattern of the Secretary of State. Out of this strategy the Secretary of State is appropriated all amounts contained herein out of the GR–Dedicated - Election Improvement Fund for the biennium beginning September 1, 2003.

Contingent upon the receipt of Federal Funds for elections administration and improvement, the Secretary of State is hereby authorized to increase its number of FTEs to the extent that federal funds are available for elections improvement. The “Number of Full-Time-Equivalent Positions (FTE)” cap is hereby increased by six FTEs each fiscal year.

Contingent upon the receipt of Federal Funds for elections administration and improvement, the Secretary of State’s out-of-state travel limitation pursuant to Article IX, § 5.09, Limitation on Travel Expenditures is hereby increased by \$15,000 for each fiscal year.

OFFICE OF STATE-FEDERAL RELATIONS

	For the Years Ending	
	August 31,	August 31,
	2004	2005
<b>A. Goal: INFLUENCE FEDERAL ACTION</b>		
Increase the influence of the Governor and the Legislature over federal action that has a direct or indirect economic, fiscal, or regulatory impact on the state.		
<b>Outcome (Results/Impact):</b>		
Texas' Proportionate Share of Federal Funding	6.52%	6.52%
Percent of Customers Satisfied with OSFR Services	87%	90%
<b>A.1.1. Strategy: ACTION PLANS</b>	\$ 355,912	\$ 355,913
Monitor federal funding and regulatory issues; identify issues and recommend action; and develop and implement action plans.		
<b>A.1.2. Strategy: REGULAR REPORTS</b>	\$ 293,673	\$ 293,673
Distribute timely information on state-federal issues including action alerts, weekly summations of congressional actions, reports, briefings, and substantial responses to information requests from state and federal executive and legislative officials, while using the most current information, communication technologies and customer response data.		
<b>Efficiencies:</b>		
Percentage of Responses within Two Business Days	98%	98%
<b>Total, Goal A: INFLUENCE FEDERAL ACTION</b>	\$ 649,585	\$ 649,586
<b>B. Goal: INDIRECT ADMINISTRATION</b>		
<b>B.1.1. Strategy: INDIRECT ADMINISTRATION</b>	\$ 342,921	\$ 342,921
<b>Grand Total, OFFICE OF STATE-FEDERAL RELATIONS</b>	\$ 992,506	\$ 992,507
<b>Method of Financing:</b>		
General Revenue Fund	\$ 908,506	\$ 908,507
Interagency Contracts	84,000	84,000
<b>Total, Method of Financing</b>	\$ 992,506	\$ 992,507
<b>Number of Full-Time-Equivalent Positions (FTE):</b>	7.0	7.0
<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 3	\$98,625	\$98,625
<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 387,847	\$ 387,848
Other Personnel Costs	3,840	3,840
Consumable Supplies	8,000	8,000
Utilities	22,000	22,000
Travel	12,000	12,000
Rent - Building	198,605	198,605
Rent - Machine and Other	15,000	15,000
Other Operating Expense	338,214	338,214
Capital Expenditures	7,000	7,000
<b>Total, Object-of-Expense Informational Listing</b>	\$ 992,506	\$ 992,507

## OFFICE OF STATE-FEDERAL RELATIONS

(Continued)

1. **Cost of Living Salary Supplement.** The Office of State-Federal Relations (OSFR) is hereby authorized to pay a salary supplement, not to exceed \$1,200 per month, to each OSFR employee whose duty station is located in Washington, DC. This salary supplement shall be in addition to the salary rate authorized for that position by this Act.

Any state agency or any institution which assigns an employee to work in the Washington, DC office of the OSFR on a permanent basis and which also designates that employee's duty station as Washington, DC, is hereby authorized to pay such an employee a salary supplement not to exceed \$1,200 per month. This salary supplement shall be in addition to the salary rate authorized by this Act.

In the event that an employee so assigned works on a less than full-time basis, the maximum salary supplement shall be set in a proportionate basis.

2. **Information and Assistance Requirements.** It is the intent of the Legislature that funds appropriated above be expended in a manner which provides information and assistance to both the legislative and executive branches of Texas State Government and that the funds be used to operate the office in a manner which is politically non-partisan.
3. **Reports on Increasing Federal Funds.** It is the intent of the Legislature that the Office of State-Federal Relations work with state agencies to identify and report to the Legislature on possible changes in state laws which could increase the amount of federal funds received by the state, and on changes to federal laws which could impact state funding of federal programs, or the state's receipt of federal funds.
4. **Interagency Contracts.** Consistent with the method of financing for the Office of State-Federal Relations (OSFR), state agencies and institutions of higher education that are represented by their employees in the Washington, DC office of the OSFR shall be charged for their portion of operating expenses, rent, and administrative staff costs, not to exceed \$1,000 per month, per agency.
5. **Unexpended Balances: Between Fiscal Years.** Any unexpended balances as of August 31, 2004, in the appropriations made herein to the Office of State-Federal Relations are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2004.
- \* 6. **Contingency Rider for Senate Bill 1952.** Contingent upon enactment of Senate Bill 1952, or similar legislation by the Seventy-eighth Legislature, Regular Session, which transfers the duties and functions of the Office of State-Federal Relations to the Office of the Governor, all appropriations and FTEs made to the Office of State-Federal Relations shall be transferred to the Office of the Governor. In addition, Strategy A.1.5, State-Federal Relations, is established in the bill pattern of the Office of the Governor. Out of this strategy the Office of the Governor is appropriated amounts contained herein for each fiscal year of the biennium.

\*Senate Bill 1952, regular session, or similar legislation did not pass.

VETERANS COMMISSION

	For the Years Ending	
	August 31,	August 31,
	2004	2005
<b>Out of the General Revenue Fund:</b>		
<b>A. Goal: ASSIST IN VETERANS' CLAIMS</b>		
Through effective training, marketing and advocacy, provide effective representation and assistance on issues and claims to veterans, their dependents, and their survivors on obtaining veterans' benefits to which they are entitled.		
<b>Outcome (Results/Impact):</b>		
Amount of VA Monetary Awards (in Millions of Dollars) Paid Because of Commission Advocacy in Claims Representation of Veterans with Service Connected Disabilities	735	770
Amount of VA Monetary Awards (in Millions of Dollars) Paid Because of Commission Advocacy in Claims Representation for Widows or Orphans of Veterans	185	190
<b>A.1.1. Strategy: CLAIMS ASSISTANCE</b>	\$ 3,457,866	\$ 3,457,866
Provide outreach services and advocacy in claims by veterans, their widows, and their orphans by Texas Veterans Commission personnel and through Veterans County Service Officers.		
<b>Output (Volume):</b>		
Number of Claims for Veterans Benefits Filed and Developed on Behalf of Veterans with Service-connected Disabilities	48,000	48,000
Number of Active Veterans Benefits Cases for Veterans, Their Widows, or Their Orphans Represented by the Texas Veterans Commission	116,000	117,000
Number of Appeals of Unfavorable Veterans Affairs Decisions Filed on Behalf of Veterans, Their Widows, or Their Orphans	8,500	8,500
<b>Grand Total, VETERANS COMMISSION</b>	<b>\$ 3,457,866</b>	<b>\$ 3,457,866</b>
<b>Number of Full-Time-Equivalent Positions (FTE):</b>		
	93.0	93.0
<b>Schedule of Exempt Positions:</b>		
Executive Director, Group 2	\$74,000	\$74,000
Per Diem of Commission Members	3,000	3,000
<b>Object-of-Expense Informational Listing:</b>		
Salaries and Wages	\$ 3,104,365	\$ 3,104,365
Other Personnel Costs	53,760	53,760
Professional Fees and Services	22,500	22,500
Consumable Supplies	20,750	20,750
Utilities	2,625	2,625
Travel	115,000	115,000
Rent - Machine and Other	6,000	6,000
Other Operating Expense	132,866	132,866
<b>Total, Object-of-Expense Informational Listing</b>	<b>\$ 3,457,866</b>	<b>\$ 3,457,866</b>

## RETIREMENT AND GROUP INSURANCE\*

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: EMPLOYEES RETIREMENT SYSTEM</b>		
<b>A.1.1. Strategy: RETIREMENT CONTRIBUTIONS</b>	\$ 22,007,264	\$ 22,227,433
Provide an actuarially sound level of funding as defined by state law. Estimated.		
<b>A.1.2. Strategy: GROUP INSURANCE</b>	\$ 45,342,137	\$ 45,754,913
Provide a basic health care and life insurance program for general state employees. Estimated.		
<b>Total, Goal A: EMPLOYEES RETIREMENT SYSTEM</b>	\$ 67,349,401	\$ 67,982,346
<b>Grand Total, RETIREMENT AND GROUP INSURANCE</b>	\$ 67,349,401	\$ 67,982,346

### Method of Financing:

General Revenue Fund, estimated	\$ 51,896,961	\$ 52,331,562
General Revenue Dedicated Accounts, estimated	2,184,563	2,205,059
State Highway Fund No. 006, estimated	558,892	564,024
Federal Funds, estimated	12,116,425	12,286,924
Other Special State Funds, estimated	592,560	594,777
<b>Total, Method of Financing</b>	\$ 67,349,401	\$ 67,982,346

\*Modified by Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 28(e). Modified by Article IX, Section 11.60 due to passage of House Bill 2359, regular session. Modified by Article IX, Section 12.05 due to passage of Senate Bill 1173, regular session.

## SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY\*\*

	For the Years Ending	
	August 31, 2004	August 31, 2005
<b>A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT</b>		
To provide funding to the Comptroller of Public Accounts for Social Security Contributions and Benefit Replacement Pay.		
<b>A.1.1. Strategy: STATE MATCH – EMPLOYER</b>	\$ 27,634,410	\$ 27,910,876
Provide an employer match for Social Security contributions. Estimated.		
<b>A.1.2. Strategy: BENEFIT REPLACEMENT PAY</b>	\$ 4,621,866	\$ 4,386,151
Provide Benefit Replacement Pay to eligible employees. Estimated.		
<b>Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT</b>	\$ 32,256,276	\$ 32,297,027
<b>Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY</b>	\$ 32,256,276	\$ 32,297,027

### Method of Financing:

General Revenue Fund, estimated	\$ 26,230,031	\$ 26,252,354
General Revenue Dedicated Accounts, estimated	758,254	759,037
State Highway Fund No. 006, estimated	293,277	294,350
Federal Funds, estimated	4,690,424	4,704,955
Other Special State Funds, estimated	284,290	286,331
<b>Total, Method of Financing</b>	\$ 32,256,276	\$ 32,297,027

\*\*Modified by Article II, Special Provisions Relating to All Health and Human Services Agencies, Section 28(e).

**BOND DEBT SERVICE PAYMENTS\***

	For the Years Ending	
	August 31,	August 31,
	2004	2005
<b>Out of the General Revenue Fund:</b>		
<b>A. Goal:</b> FINANCE CAPITAL PROJECTS		
To provide funding to the Texas Public Finance Authority for the payment of general obligation bond debt service requirements.		
<b>A.1.1. Strategy:</b> BOND DEBT SERVICE	\$ 1,876,795	\$ 2,882,157
		& UB
Make general obligation bond debt service payments in compliance with bond covenants.		
<b>Grand Total,</b> BOND DEBT SERVICE PAYMENTS	\$ 1,876,795	\$ 2,882,157

**LEASE PAYMENTS**

	For the Years Ending	
	August 31,	August 31,
	2004	2005
<b>A. Goal:</b> FINANCE CAPITAL PROJECTS		
To provide funding to the Building and Procurement Commission for payment to the Texas Public Finance Authority for the payment of revenue bond debt service requirements.		
<b>A.1.1. Strategy:</b> LEASE PAYMENTS	\$ 19,615,678	\$ 19,541,711
		& UB
Make lease payments to the Texas Public Finance Authority on facilities financed through the Texas Public Finance Authority.		
<b>Grand Total,</b> LEASE PAYMENTS	\$ 19,615,678	\$ 19,541,711
<b>Method of Financing:</b>		
General Revenue Fund	\$ 10,102,890	\$ 19,541,711
Current Fund Balance	9,512,788	0
<b>Total, Method of Financing</b>	\$ 19,615,678	\$ 19,541,711

\*Modified by Article IX, Section 11.44.

**RECAPITULATION - ARTICLE I  
GENERAL GOVERNMENT  
(General Revenue)**

	For the Years Ending	
	August 31, 2004	August 31, 2005
Commission on the Arts	\$ 2,900,253	\$ 2,700,252
Office of the Attorney General	120,999,805	113,991,021
Rider Appropriations	(1,958,243)	(2,130,890)
Total	119,041,562	111,860,131
Bond Review Board	516,967	516,967
Building and Procurement Commission	31,753,010	31,540,575
Cancer Council	3,480,539	3,480,539
Comptroller of Public Accounts	194,542,827	194,539,632
Fiscal Programs - Comptroller of Public Accounts	168,958,014	164,204,015
Employees Retirement System	6,508,651	6,556,164
Texas Ethics Commission	1,745,556	1,745,556
Public Finance Authority	505,080	505,080
Fire Fighters' Pension Commissioner	112,286	112,286
Office of the Governor	7,909,694	7,909,695
Rider Appropriations	850,000	0
Total	8,759,694	7,909,695
Trusted Programs Within the Office of the Governor	15,483,950	6,523,818
Historical Commission	6,059,170	3,205,313
Commission on Human Rights	722,464	722,463
Department of Information Resources	2,581,432	2,581,878
Library & Archives Commission	11,953,296	11,988,139
Pension Review Board	283,583	320,023
Preservation Board	12,018,001	11,956,021
State Office of Risk Management	5,332,623	3,461,603
Secretary of State	21,729,535	9,702,066
Office of State-Federal Relations	908,506	908,507
Veterans Commission	3,457,866	3,457,866
Subtotal, General Government	\$ 619,354,865	\$ 580,498,589
Retirement and Group Insurance	51,896,961	52,331,562
Social Security and Benefit Replacement Pay	26,230,031	26,252,354
Subtotal, Employee Benefits	\$ 78,126,992	\$ 78,583,916
Bond Debt Service Payments	1,876,795	2,882,157
Lease Payments	10,102,890	19,541,711
Subtotal, Debt Service	\$ 11,979,685	\$ 22,423,868
TOTAL, ARTICLE I - GENERAL GOVERNMENT	\$ 709,461,542	\$ 681,506,373

**RECAPITULATION - ARTICLE I  
GENERAL GOVERNMENT  
(General Revenue - Dedicated)**

	For the Years Ending	
	August 31, 2004	August 31, 2005
Commission on the Arts	\$ 882,000	\$ 840,000
Office of the Attorney General	84,376,424	85,376,104
Building and Procurement Commission	2,603,105	2,603,105
Cancer Council	8,000	8,000
Comptroller of Public Accounts	160,515	163,710
Fiscal Programs - Comptroller of Public Accounts	52,591,965	18,075,741
Commission on State Emergency Communications	50,908,205	52,732,375
Trusted Programs Within the Office of the Governor	27,500,000	27,500,000
Historical Commission	500,000	175,000
Library & Archives Commission	3,032,500	3,032,500
Subtotal, General Government	\$ 222,562,714	\$ 190,506,535
Retirement and Group Insurance	2,184,563	2,205,059
Social Security and Benefit Replacement Pay	758,254	759,037
Subtotal, Employee Benefits	\$ 2,942,817	\$ 2,964,096
TOTAL, ARTICLE I - GENERAL GOVERNMENT	\$ 225,505,531	\$ 193,470,631



**RECAPITULATION - ARTICLE I  
GENERAL GOVERNMENT  
(Federal Funds)**

	For the Years Ending	
	August 31, 2004	August 31, 2005
Commission on the Arts	\$ 760,000	\$ 760,000
Office of the Attorney General	188,630,950	192,139,872
Fiscal Programs - Comptroller of Public Accounts	925,421	925,421
Trusted Programs Within the Office of the Governor	101,245,475	100,765,645
Historical Commission	839,171	838,237
Commission on Human Rights	1,212,576	1,212,577
Library & Archives Commission	10,009,700	10,109,200
Secretary of State, Rider Appropriations	81,000,000	0
Subtotal, General Government	\$ 384,623,293	\$ 306,750,952
Retirement and Group Insurance	12,116,425	12,286,924
Social Security and Benefit Replacement Pay	4,690,424	4,704,955
Subtotal, Employee Benefits	\$ 16,806,849	\$ 16,991,879
TOTAL, ARTICLE I - GENERAL GOVERNMENT	\$ 401,430,142	\$ 323,742,831

**RECAPITULATION - ARTICLE I  
GENERAL GOVERNMENT  
(Other Funds)**

	For the Years Ending	
	August 31, 2004	August 31, 2005
Aircraft Pooling Board	\$ 3,741,068	\$ 3,660,494
Commission on the Arts	1,314,413	1,414,414
Office of the Attorney General	19,314,192	19,249,701
Rider Appropriations	4,616,243	6,122,890
Total	23,930,435	25,372,591
Building and Procurement Commission	19,798,587	11,714,287
Comptroller of Public Accounts	276,270	276,270
Texas Ethics Commission	25,000	25,000
Public Finance Authority	262,863	262,720
Fire Fighters' Pension Commissioner	365,543	372,350
Office of the Governor	353,000	353,000
Trusted Programs Within the Office of the Governor	77,000	77,000
Historical Commission	27,429,854	21,708,962
Commission on Human Rights	246,676	246,676
Texas Incentive and Productivity Commission	228,233	211,233
Department of Information Resources	81,468,004	83,438,541
Library & Archives Commission	2,403,417	2,283,769
Preservation Board	31,549	31,549
State Office of Risk Management	2,109,254	4,521,968
Workers' Compensation Payments	83,300,000	83,300,000
Secretary of State	4,044,022	4,018,803
Office of State-Federal Relations	84,000	84,000
Subtotal, General Government	\$ 251,489,188	\$ 243,373,627
Retirement and Group Insurance	1,151,452	1,158,801
Social Security and Benefit Replacement Pay	577,567	580,681
Subtotal, Employee Benefits	\$ 1,729,019	\$ 1,739,482
Lease Payments	9,512,788	0
Subtotal, Debt Service	\$ 9,512,788	\$ 0
Less Interagency Contracts	\$ 177,885,254	\$ 181,067,303
TOTAL, ARTICLE I - GENERAL GOVERNMENT	\$ 84,845,741	\$ 64,045,806

**RECAPITULATION - ARTICLE I  
GENERAL GOVERNMENT  
(All Funds)**

	For the Years Ending	
	August 31, 2004	August 31, 2005
Aircraft Pooling Board	\$ 3,741,068	\$ 3,660,494
Commission on the Arts	5,856,666	5,714,666
Office of the Attorney General	413,321,371	410,756,698
Rider Appropriations	2,658,000	3,992,000
Total	415,979,371	414,748,698
Bond Review Board	516,967	516,967
Building and Procurement Commission	54,154,702	45,857,967
Cancer Council	3,488,539	3,488,539
Comptroller of Public Accounts	194,979,612	194,979,612
Fiscal Programs - Comptroller of Public Accounts	222,475,400	183,205,177
Commission on State Emergency Communications	50,908,205	52,732,375
Employees Retirement System	6,508,651	6,556,164
Texas Ethics Commission	1,770,556	1,770,556
Public Finance Authority	767,943	767,800
Fire Fighters' Pension Commissioner	477,829	484,636
Office of the Governor	8,262,694	8,262,695
Rider Appropriations	850,000	0
Total	9,112,694	8,262,695
Trusted Programs Within the Office of the Governor	144,306,425	134,866,463
Historical Commission	34,828,195	25,927,512
Commission on Human Rights	2,181,716	2,181,716
Texas Incentive and Productivity Commission	228,233	211,233
Department of Information Resources	84,049,436	86,020,419
Library & Archives Commission	27,398,913	27,413,608
Pension Review Board	283,583	320,023
Preservation Board	12,049,550	11,987,570
State Office of Risk Management	7,441,877	7,983,571
Workers' Compensation Payments	83,300,000	83,300,000
Secretary of State	25,773,557	13,720,869
Rider Appropriations	81,000,000	0
Total	106,773,557	13,720,869
Office of State-Federal Relations	992,506	992,507
Veterans Commission	3,457,866	3,457,866
Subtotal, General Government	\$ 1,478,030,060	\$ 1,321,129,703
Retirement and Group Insurance	67,349,401	67,982,346
Social Security and Benefit Replacement Pay	32,256,276	32,297,027
Subtotal, Employee Benefits	\$ 99,605,677	\$ 100,279,373

**RECAPITULATION - ARTICLE I**  
**GENERAL GOVERNMENT**  
**(All Funds)**  
(Continued)

Bond Debt Service Payments	1,876,795	2,882,157
Lease Payments	<u>19,615,678</u>	<u>19,541,711</u>
Subtotal, Debt Service	<u>\$ 21,492,473</u>	<u>\$ 22,423,868</u>
Less Interagency Contracts	<u>\$ 177,885,254</u>	<u>\$ 181,067,303</u>
TOTAL, ARTICLE I - GENERAL GOVERNMENT	<u>\$ 1,421,242,956</u>	<u>\$ 1,262,765,641</u>
Number of Full-Time-Equivalent Positions (FTE)	9,373.5	9,375.5